(23)

No. 00-201-CFX Title: New York Times Company, Inc., et al., Petitioners
v.
Jonathan Tasini, et al.

Docketed: August 7, 2000 Court: United States Court of Appeals for the Second Circuit

Entry	Date	Proceedings and Orders
	Jun 22 2000	Application (99A1063) to extend the time to file a petition for a writ of certiorari from July 5, 2000 to August 4, 2000, submitted to Justice Ginsburg.
	Jun 22 2000	Application (99A1063) granted by Justice Ginsburg extending the time to file until August 4, 2000.
	Aug 4 2000	Petition for writ of certiorari filed. (Response due October 2, 2000)
	Aug 10 2000	LODGING consisting of one box containing seven bound documents and eight loose documents of record material submitted by counsel for the petitioners.
	Aug 23 2000	Brief amici curiae of Advance Publications, Inc., et al. filed.
	Aug 25 2000	Order extending time to file response to petition until October 2, 2000.
	Aug 25 2000	This extension of time is granted for all respondents.
	Sep 29 2000	Brief of respondents J.Tasini, MK.Blakely, M.Mifflin, and D.Whitford in opposition filed.
	Oct 2 2000	Brief of respondents Barbara Garson and Sonia Jaffe Robbins in opposition filed.
	Oct 2 2000	Motion of Northern Light Technology, Inc. for leave to file a brief as amicus curiae filed.
	Oct 2 2000	Brief amici curiae of Ken Burns, et al. filed.
	Oct 17 2000	LODGING consisting of twenty copies of declarations from the lower court record submitted by counsel for the petitioner.
	Oct 17 2000	Reply brief of petitioners The New York Times Company, Inc., et al. filed.
	Oct 18 2000	DISTRIBUTED for Conference of November 3, 2000
	Nov 6 2000	Motion of Northern Light Technology, Inc. for leave to file a brief as amicus curiae GRANTED.
	Nov 6 2000	Petition GRANTED. SET FOR ARGUMENT March 28, 2001. **********
	Dec 7 2000	Order extending time to file briefs on the merits. Petitioners' brief on the merits is to be filed on or before January 5, 2001. Respondents' brief on the merits is to be filed on or before February 16, 2001. A reply brief, if any, is to be filed on or before March 14, 2001.
	Jan 5 2001	Brief amicus curiae of National Geographic Society filed.
	Jan 5 2001	Joint appendix filed.
	Jan 5 2001	Brief of petitioners The New York Times Company, Inc., et al. filed.
	Jan 5 2001	Brief amicus curiae of American Intellectual Property Law Association filed.
	Jan 5 2001	Brief amici curiae of Software & Information Industry

2 pp

Entry	Date	Proceedings and Orders
		Association, et al. filed.
	Jan 5 2001	Brief amici curiae of Ken Burns, et al. filed.
	Jan 5 2001	Brief amici curiae of Advance Publications, Inc., et al. filed.
	Jan 8 2001	LODGING consisting of two bound volumes of Legislative History and Articles and Registration submitted by counsel for the parties.
	Jan 26 2001	CIRCULATED.
	Feb 7 2001	Record filed.
	Feb 15 2001	Order extending time to file respondents' briefs on the merits to and including February 20, 2001. A reply brief, if any, is to be filed on or before March 21, 2001. Rule 29.2 does not apply.
	Feb 16 2001	Brief amici curiae of American Library Association, et al. filed.
	Feb 16 2001	Brief amici curiae of American Society of Media Photographers, Inc, et al. filed.
	Feb 16 2001	Brief amici curiae of Authors Guild, Inc., et al. filed.
	Feb 16 2001	Brief amici curiae of Ellen Schrecker, et al. filed.
	Feb 16 2001	Brief amicus curiae of International Federation of Journalists filed.
	Feb 20 2001	LODGING consisting of twenty bound copies of documents submitted by cousel for amicus Internatl. Federation of Journalists and distributed.
	Feb 20 2001	Brief of respondents Barbara Garson and Sonia Jaffe Robbins filed.
	Feb 20 2001	Brief of respondents Jonathan Tasini, Mary Kay Blakely, M. Mifflin & D. Whitford filed.
	Mar 16 2001	Reply brief of petitioners The New York Times Company, Inc., et al. filed.
	Mar 26 2001	Letter and attachment received from counsel for the petitioner and distributed.
	Mar 28 2001	ARGUED.

Supreme Court, U.S.
FILED

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No. 00-

IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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168pp

QUESTION PRESENTED

The Copyright Act expressly grants periodical publishers the right to reproduce and distribute their publications, including articles contributed and separately copyrighted by freelance authors, in, *inter alia*, "any revision" of the publication. 17 U.S.C. § 201(c). For decades, publishers have relied on that provision to make complete editions of their periodicals available in both paper copies and copies stored electronically (such as in the NEXIS database and on CD-ROMs). The Second Circuit nonetheless held in this case that such electronic publication infringes upon the copyrights of freelance authors, a ruling that will require both the massive deletion of freelance articles published in certain electronic copies and the wholesale destruction of other electronic editions of many of the nation's leading periodicals.

The question presented is whether a publisher's reproduction and distribution of its entire periodical not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyrights held by contributing freelance authors.

STATEMENT PURSUANT TO RULE 29.6

Petitioner The New York Times Company states that it has no corporate parents, and that no publicly held company owns 10% or more of The New York Times Company's stock.

Petitioner Newsday Inc. states that The Tribune Company is its corporate parent, and that no other publicly held company owns 10% or more of Newsday, Inc.'s stock.

Petitioner Time Inc. states that Time Warner Inc. is its corporate parent, and that Time Inc. has no publicly-traded stock.

Petitioner University Microfilms Inc. states that Bell & Howell Co. is its corporate parent, and that no other publicly held company owns 10% or more of University Microfilms, Inc.'s stock.

Petitioner LEXIS/NEXIS (formerly known as Mead Data Central) states that LEXIS/NEXIS is a division of Reed Elsevier Inc., whose corporate parents are Reed International P.L.C. and Elsevier N.V., and that LEXIS/NEXIS has no publicly-traded stock.

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PETITION FOR A WRIT OF CERTIORARI

Petitioners respectfully petition for a writ of certiorari to review the judgment of the United States Court of Appeals for the Second Circuit in this case.

OPINIONS BELOW

The district court's opinion (per Sotomayor, D.J. (now circuit judge)) granting petitioners' summary judgment motion (Appendix ("Pet. App.") 23a-80a) is published at 972 F. Supp. 804. The district court's subsequent opinion reaffirming that holding and denying respondents' motion for reconsideration (Pet. App. 83a-105a) is published at 981 F. Supp. 841. The court of appeals' opinion (per Winter, C.J., joined by Miner and Pooler, JJ.) reversing (Pet. App. 1a-22a) is published at 206 F.3d 161. The court of appeals' orders denying rehearing and rehearing en banc (*id.* 106a-107a), staying the mandate (*id.* 108a-110a), and extending the stay of the mandate (*id.* 111a-113a) are not otherwise published.

STATEMENT OF JURISDICTION

The court of appeals entered its opinion and order on September 24, 1999, and denied rehearing and rehearing en banc on April 6, 2000. Justice Ginsburg subsequently extended the time to file this petition for a writ of certiorari to and including August 4, 2000. Petitioners invoke this Court's jurisdiction under 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The provisions of the Copyright Act of 1976, 17 U.S.C. § 101, *et seq.*, relevant to this petition are reprinted in the Appendix at 114a-125a.

STATEMENT OF THE CASE

Petitioners publish a number of periodicals in both print and electronic copies. Some include articles contributed by respondents, who are freelance authors that own the copyrights to their individual contributions. The district court held that the electronic copies were privileged under Section 201(c) of the Copyright Act, which, in the absence of an express agreement,

permits a publisher to include individually copyrighted articles contributed by freelancers in copies of a periodical and "any revision" of that periodical. 17 U.S.C. § 201(c). The Second Circuit reversed, holding that publication in electronic copies infringes the copyrights held by freelance authors.

The court of appeals' holding merits this Court's immediate review because it will require publishers and electronic database companies, nationwide, irreversibly to delete tens of thousands of freelance contributions currently stored in electronic archives. It also will force the wholesale destruction of CD-ROMs containing periodicals that include only a handful of such contributions. In addition, the decision below conflicts with decisions of this Court and of other circuits holding that the conduct of third parties is irrelevant to a claim of direct copyright infringement and that "originality" is the sine qua non of a "new" work.

1. Petitioners publish a number of the nation's most prominent newspapers and special interest magazines, including *The New York Times* ("the *Times*"), *Newsday*, and *Sports Illustrated* (collectively, "the Publications"), in both print and electronic copies. The electronic copies appear in databases such as NEXIS, which contains essentially the complete editorial content of the Publications dating from the early 1980s, as well as CD-ROM products, which contain the same content of the *Times*, as well as complete photographic copies of *The New York Times Sunday Magazine* and *The New York Times Book Review*. It is undisputed that, in every instance, the electronic copies are created from complete editions of the periodicals, not on an article-by-article basis.

These electronic copies have revolutionized research in ways directly anticipated by Congress as far back as the early 1960s. They function as the modern equivalent of national library shelves, combined with computerized search tools that serve as indices with awesome power. This makes it possible to complete in seconds research that previously would have required months. For example, prior to the "information age," a

researcher would locate articles in back issues of the *Times* by retrieving and studying a hard-copy index of each year to be researched, then retrieving each individual article from either hard copies or microfilm reproductions of the newspaper. Now, the identical research can be completed instantly and remotely by entering a command into the search engine associated with a database; indeed, the electronic search generally produces far more accurate results because it retrieves articles based on their text rather than on the general subject headings set forth in the hard copy indices.

2. Respondents are a number of freelance authors, led by the president of an organization (the National Writers Union) dedicated to advancing the interests of freelance authors. Between 1990 and 1993, respondents contributed articles, in which they retained separate copyrights,[1] to petitioners' publications (collectively, "the Articles"). It is undisputed that respondents provided the Articles to petitioners precisely for the purpose of having them included in petitioners' Publications and that no agreement between petitioners and respondents limits distribution of the Articles to print editions only.

Nonetheless, respondents contend that electronic publication of entire periodical issues that contain their articles constitutes direct copyright infringement. Specifically, they maintain that the Copyright Act, as a matter of law, limits publishers to reproducing and distributing the full contents of their periodicals only in paper copies absent separate contractual agreements with the freelance contributors. (Plaintiffs' Amended Compl. ¶ 1). Of particular note, respondents do *not* assert that petitioners contribute in any way to copyright infringement by third parties who retrieve articles from the databases, a claim that automatically would be defeated under this Court's decision in *Sony Corporation of America v. Universal City Studios*, 464

1. Respondents' contributions thus differ from articles written by the Publications' employees, which the Copyright Act deems "works for hire" and for which the Publications hold the copyright. 17 U.S.C. § 101 (defining "works made for hire").

U.S. 417 (1984), because the databases indisputably have "substantial noninfringing uses." Pet. App. 33a n.3; *see also* Tr. Oct. 17, 1996 at 78 (representation of respondents' counsel: "We have not claimed that any end users have engaged in acts of direct infringement, and we have not in fact claimed that either the publisher defendants or the database defendants are guilty of contributory or vicarious liability with respect to direct infringement committed by end users.").

3. The district court rejected respondents' claim, holding that petitioners' publishing activities are contemplated and privileged by Section 201(c) of the Copyright Act. Pet. App. 23a-80a. The Act defines the Publications as "collective works" (a type of "compilation") and the Articles as "contributions" to those collective works. 17 U.S.C. § 101. Section 201(c) grants a publisher, absent an agreement to the contrary, "the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." *Id.* at § 201(c). The district court held that, because a print edition of a periodical is a "collective work," the electronic copy of the same periodical, whether distributed alone or stored in a larger database comprised of a number of such editions and other works, falls within the phrase "any revision of that collective work."

The district court explained that respondents were wrong to assert that electronic publication results in a work fundamentally different from the print edition. The databases indisputably "permit users to consult defendants' periodicals in new ways and with new efficiency, but for the *same purposes* that they might otherwise review the hard copy versions of those periodicals." Pet. App. 75a (emphasis added). Although some (but not all) of the electronic copies differ slightly in appearance from the original print editions — because in the ASCII text copies no graphics, agate-type and paper page layouts are present — that is precisely what makes them "revisions" rather than originals. Pet. App. 72a-73a. In particular, the failure to retain

the exact arrangement of a particular periodical is "of only peripheral concern" when petitioners retain their single most important original contribution: the selection of the individual articles to be published. *Id.* The commitment of the *Times* editorial staff to "[i]dentifying 'all the news that's fit to print,' " for example, is "a highly subjective undertaking, one that different editors and different periodicals undoubtedly perform with varying degrees of success." *Id.* 69a. That "selection," in turn, "remains evident online" because petitioners uniformly include, with each article in the databases, information identifying the publication, edition, and even pagination of the hard copy edition in which that article was originally published. *Id.* 71a.

Moreover, as the district court also noted, the basic, definitional concepts of the Copyright Act expressly state that "revisions," including the "any revision" incorporated into Section 201(c), can embrace substantial changes from the original edition of a publication. The Act provides that "editorial revisions" to a preexisting work can be so substantial that they create a *new work* with its own copyright protections. 17 U.S.C. § 101 (providing that "editorial revisions" can create new "derivative work"). As the district court succinctly explained, "If 'editorial revisions' can transform a work to this extent, the broader 'any revisions' language of Section 201(c) suggests the promise of even greater change." Pet. App. 58a.

Fundamental to the district court's conclusion was its recognition that Congress intentionally drafted the terms of the Copyright Act to be "media neutral." *Id.* 57a. Section 101 of the Act states that a "literary work," such as a periodical, remains the same "regardless of" how it is embodied, whether in paper or instead on "tapes, disks, or cards." 17 U.S.C. § 101; *see also id.* (a "copy" of a work is the same whatever the medium — whether "now known or later developed" — in which it is embodied). These provisions are set forth in the very first section of the Act, because Congress intentionally sought "to accommodate developing technologies," Pet. App. 57a,

specifically employing broad terms so " 'that they can be adapted as time goes by to each of new advancing media.' " *Id.* (*quoting* Copyright Law Revision: Hearing on H.R. 4347, 4680, 6831, 6835 Before Subcomm. No. 3 of the House Comm. on the Judiciary, 89th Cong., 1st Sess. 57 (1965) (testimony of George D. Cary, Deputy Register of Copyrights)).

The district court also recognized that Congress enacted Section 201(c) principally to overturn those decisions under the predecessor Copyright Act of 1909 holding that publishers could exploit freelance authors' contributions *apart* from the rest of the collective work. Pet. App. 60a. Electronic copies do not implicate that concern because regardless of how such copies may be accessed and read, the entire editorial content of the collective work is published *together*. Thus, as the district court concluded, Congress intended Section 201(c) to "avoid the exploitation of individual articles," without "prevent[ing] publishers from reworking their collective works in significant ways." *Id.* 72a.[2]

Finally, the district court rejected respondents' claim that copies published electronically result in a "new" collective work rather than in a permissible "revision" under Section 201(c). Under this Court's decision in *Feist Publications v. Rural Telephone Service Co.*, 499 U.S. 340, 359-61 (1991), a "new" work is created only if it fails to retain the "original" elements — whether "selection, coordination, or arrangement" — of the prior work. 499 U.S. 340, 359-61 (1991). When the original element of a periodical (the "compilation" copyright contemplated by Section 101) is retained in the electronic copy

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2. The district court further noted that authors' representatives had in fact made clear in the debates over the 1976 Copyright Act that they " 'obviously' " did not object to the provisions insofar as such "revisions" included selecting " 'contributions, or their order, or including different contributions.' " Pet. App. 60a (*citing and quoting* 1964 Revision Bill With Discussions And Comments, Copyright Law Revision, Part 5, at 9 (H. Comm. Print 1965) (statement of Author's Representative, Harriet Pilpel)).

— here, the original selection of articles — "then the electronic reproductions can be deemed permissible revisions of the publisher defendants' collective works." Pet. App. 66a. The district court accordingly entered summary judgment for petitioners.

4. On respondents' appeal, the Second Circuit reversed in an opinion remarkable for its fundamental inconsistency with governing precedent of this Court and decisions of other circuits, for its inclusion of only one citation to a copyright law decision,[3] and for the fact that it summarily and retroactively invalidates a long-settled publishing practice. The Second Circuit held that, as a matter of law, "Section 201(c) does not permit the Publishers to license individually copyrighted works for inclusion in the electronic databases." Pet. App. 7a. Instead, the "any revision" language of Section 201(c), according to the Second Circuit, "protects only later editions of a particular issue of a periodical, such as the final edition of a newspaper." *Id.* 10a.

The legal principle established by the Second Circuit is that a publisher may be guilty of direct copyright infringement simply by publishing electronic copies of periodicals that permit third parties to retrieve individual articles from the electronic databases. As the court of appeals explained:

> Subscribers to NEXIS are able to access an almost infinite combination of articles from one or more publishers by using the database's advanced search engine. The articles may be retrieved individually or, for example, together with others on like topics. Such retrieval makes the article available without any material from the rest of the periodical in which it first appeared.

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3. The one instance is itself meager: a "see also" citation to *Feist* as "discussing factual compilations." Pet. App. 15 a. The only other mention of copyright law decisions comes in a portion of the opinion dealing with "licensing," which is not at issue in this petition. *Id.* 19a-20a.

Pet. App. 4a. Similarly, the CD-ROM products "contain[] many articles that may be retrieved [through a search engine] according to criteria unrelated to the particular edition in which the articles first appeared." *Id.* 16a.[4]

The court of appeals believed that the ability of end users to retrieve articles individually could not be reconciled with the Copyright Act in two respects. First, the Second Circuit maintained that such individually accessible electronic copies fail to retain the original "selection" of the print edition because "the Authors' works are now available to the public on one or more electronic databases and may be retrieved individually or in combination with other pieces originally published in different editions of the periodical or in different periodicals." Pet. App. 6a-7a. It concluded that such a process resulted in "at best a new anthology of innumerable editions of the *Times*, and at worst a new anthology of innumerable articles from these editions," not "a 'revision' of any (or all) particular editions." *Id.* 17a.

Second, the court of appeals opined that the availability of individually accessible electronic copies infringes upon authors' rights to exploit their individual contributions:

> Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS.

Id. 13a.

5. On April 26, 2000, the Second Circuit granted a stay of its mandate upon a showing by petitioners that a certiorari petition would present a substantial question meriting this

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4. *See also id.* 14a ("NEXIS is a database comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals.").

Court's review and that there existed good grounds for a stay. *See* Pet. App. 108a-110a; FRAP 41. In particular, petitioners established, through undisputed sworn affidavits, that the judgment in this case would require petitioners to delete vast numbers of freelance articles permanently from the NEXIS database and to destroy large numbers of CD-ROMs, causing irreparable injury both to petitioners and to the public. *See infra* at 14-16 & nn.7-8.

6. This petition for a writ of certiorari followed.

REASONS FOR GRANTING THE WRIT

The petition should be granted for two reasons. *First*, the Second Circuit's judgment, as a practical matter, sets a national rule requiring the destruction of decades' worth of articles currently stored in electronic archives. Consistent with this Court's practice of immediately reviewing decisions under the Copyright Act that overturn settled practices in publishing — an inherently national industry closely tied to the constitutional values underlying the First Amendment — review should be granted to prevent this irreversible, nationwide harm.

Second, the Second Circuit's decision conflicts with holdings of this Court and of other circuits in two important ways. It espouses the legal principle that a publisher may be held liable for direct copyright infringement because of the conduct of the third parties who retrieve articles from the databases. That holding is contrary to this Court's decision in *Sony* and *Sony*'s progeny in other circuits, which hold that third-party conduct is irrelevant to a direct infringement claim. The Second Circuit's judgment also holds that electronic publication results in a "new" work. That holding is contrary to this Court's decision in *Feist* that the "mechanical" reproduction of a work (as opposed to one adding some element of "originality") cannot create a new, copyrightable work, as well as *Feist*'s progeny in other circuits. In both respects, the Second Circuit's decision also conflicts with this Court's holding that, in cases of doubt, the Copyright Act should be construed to encourage the development of new technologies.

I. The Decision Below Sets A National Rule Meriting This Court's Immediate Intervention Because It Will Cause Irreparable Harm To Electronic Archives Nationwide.

One consistent theme emerges from this Court's leading copyright decisions: the Court has taken care to review rulings of the courts of appeals that disrupt settled practices in the publishing and related industries, even absent a direct circuit conflict.[5] The Court's prompt intervention in such cases is sound: the publishing industry is virtually unique in that a decision of a single circuit (particularly the Second Circuit, because so many publishers are located in New York City) can effectively require a publisher to alter its practices fundamentally throughout the nation. Moreover, the fate of publishing (and the related music and entertainment industries) is directly bound up with the values underlying the First Amendment. " 'The fortunes of the law of copyright have always been closely connected with freedom of expression, on the one hand, and with technological improvements in means of dissemination, on the other.' " *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 431 n.12 (1984) (*quoting* B. Kaplan, An Unhurried View of Copyright vii-viii (1967)).

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5. *See Campbell v. Acuff-Rose Music*, 510 U.S. 569 (1994) (holding that musical parody constitutes "fair use"; petitioner alleged only a conflict in principle over treatment of musical parodies); *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991) (holding that telephone white pages are not copyrightable if they lack original "selection, coordination, or arrangement"; petitioner alleged only a conflict in principle over "sweat of the brow doctrine"); *Harper & Row v. Nation Enters.*, 471 U.S. 539 (1985) (holding that use of quotations from unpublished memoirs is not protected "fair use"; petitioner alleged only a conflict in principle over fair use doctrine); *Mills Music v. Snyder*, 469 U.S. 153 (1984) (holding that publisher was entitled to share in royalties from derivative works under terms of grant from author; petitioner alleged no conflict at all); *Sony Corp. v. Universal City Studios*, 464 U.S. 417 (1984) (holding that video tape recorder manufacturers are not liable for contributory infringement based on taping by users of the recorders; petitioner alleged only a conflict in principle with a decision of Court of Claims).

The Court's concerns have been greatly amplified with the advent of electronic publishing. A single court of appeals' decision holding that a database such as NEXIS may not lawfully include various materials immediately denies access to those materials to individuals nationwide and, indeed, worldwide. In this case, for example, it makes no difference what any other regional court of appeals may hold with respect to the Section 201(c) privilege: the Second Circuit's holding effectively governs the NEXIS databases without regard to the geographic location of the individuals who access those databases or the identity or location of the freelancers whose works have been included with the rest of the periodical. For example, the Second Circuit's decision conflicts directly with a ruling by the Southern District of Florida, which expressly adopted the holding and rationale of the district court in this case. *Greenberg v. National Geographic Soc'y*, No. 97-3924-civ, 1998 U.S. Dist. LEXIS 18060 (S.D. Fla. May 14, 1998). The district court in *Greenberg* rejected a challenge brought by freelance photographers to the National Geographic Society's practice of distributing a complete collection of back issues of *National Geographic* magazine on CD-ROM. Although the Section 201(c) privilege in theory still protects such electronic publication in the Southern District of Florida (in fact, only the Second Circuit has held to the contrary), in reality, publishers and database providers must abide by the Second Circuit's judgment no matter whether the Eleventh Circuit subsequently affirms or reverses the district court's decision in *Greenberg*.[6]

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6. Another decision involving Section 201(c), *Ryan v. Carl Corp.*, 23 F. Supp. 2d 1146 (N.D. Cal. 1998), addressed the sale of individual articles to which the Section 201(c) privilege was held not to apply. The district court's decision in *Ryan*, which cites the district court's opinion in this case favorably, refutes the Second Circuit's professed concern that petitioners' interpretation of Section 201(c) would eviscerate the freelancers' copyrights in their individual works. Pet. App. 12a-13a. The *Ryan* decision underscores that the interpretation of Section 201(c) relied on by petitioners leaves undisturbed

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There are two other respects in which the Second Circuit's decision effectively sets an immediate national rule not subject to further percolation in the courts of appeals. *First*, it applies well beyond the individual parties to this case. The corporate owner of NEXIS is a party defendant subject to the Second Circuit's judgment. The NEXIS database contains editions of hundreds of other publications extending as far back as the 1970s. In order to avoid infringement liability with respect to those publications, NEXIS, in conjunction with its publisher-licensors, must locate and delete the freelance articles in all those publications even though those other publishers are not parties to this case and have their publishing facilities in locations throughout the country outside the three states that comprise the Second Circuit. University Microfilms, by far the nation's largest producer of informational CD-ROM products, is a party defendant in this case and similarly must comply with the judgment with respect not only to the three publishers who are defendants but to *all* of the publications contained in its products. Furthermore, the expansive jurisdictional provision of the Copyright Act means that the nation's other major electronic databases and producers of CD-ROMs, including WESTLAW, Dow Jones Interactive and Dialog, cannot ignore the Second Circuit's ruling in this case. *See* 28 U.S.C. § 1400(a) (copyright infringement suit may be brought in any district where the defendant may be found).

Thus, it is hard to identify a substantial periodical publisher or electronic database company that is not required to delete a significant body of information to avoid serious risk of infringement liability under the Second Circuit's judgment. In the time since the Second Circuit issued its opinion in this case, the National Writers Union, led by respondent Tasini, has

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respondents' ability to exploit their Articles on an individual basis and is entirely consistent with the congressional intent to draw a clear dividing line between aggregate uses (held by the Publishers) and individual uses (held by freelancers) of the copyrighted articles contained in collective works. *See supra* at 6.

threatened publishers and database companies *nationwide* with infringement suits, unless they comply with the Second Circuit's judgment. See http://www.nwu.org/prc/prchome.htm (visited Aug. 2, 2000). In fact, just three weeks ago, Mr. Tasini and the NWU openly threatened to sue San Jose, California-based Knight Ridder, Inc. over its online library. Randy Dotinga, *Free-Lance Union Demands Restitution from Papers: Writers Union Targets Knight Ridder-Owned News Library*, (last modified July 13, 2000) <http://www. editorandpublisher.com/ephome/news/newshtm/stories/071300nl.htm>.

Second, the effects of the Second Circuit's judgment are irreversible. The process of locating the vast number of freelance articles contained in the NEXIS database has already begun; some 100,000 articles may have to be permanently deleted at an enormous cost and investment of time. With respect to already published CD-ROM copies of periodicals, the immediate impact of the decision below is even more serious. Because individual articles cannot be deleted from a CD-ROM, the entire CD-ROM must be removed from the marketplace, even though most of the articles contained in the periodicals carried on those discs were not written by freelance authors.

The gravity of these deletions is hard to overstate. Precisely because the publication of periodicals in electronic copies has been an accepted publishing practice for decades, the archives of the nations' periodicals are now (and increasingly will be) stored, in very large part, electronically. Relying on a decades-old and industry-wide understanding of Section 201(c) of the Act, many institutions, including the Library of Congress, have replaced their crumbling collections of paper periodicals with non-print copies in an effort to maintain the integrity of the nation's historical records. *See, e.g.*, Claire Anne Fitzgerald, *Freelance Journalism After* Tasini, The Legal Intelligencer, Feb. 3, 2000 (noting that the practical impact of the Second Circuit's decision is "the loss of scholarship particularly where hard copies of * * * works have been discarded in favor of electronic storage"). This case accordingly will determine

whether historians, students, scholars, and others will continue to enjoy ready access to the complete historical record of the nation's periodicals in "any tangible medium of expression," 17 U.S.C. § 102(a), or will instead be forced to revert to the research methods of a prior generation: the *Reader's Guide to Periodical Literature* and bound paper copies — to the extent such copies still exist. *See* Kurt A. Wimmer, *E-Litigation: The Digital Dilemma*, Nat'l L. J., Oct. 25, 1999, at B10 ("[T]he broader impact of *Tasini* will be felt not only by professional researchers, but also by ***millions*** of Internet users who expect to find comprehensive and reliable archives at media-related sites.") (emphasis added).[7]

These effects, disastrous for the nation's libraries, academic institutions, and publishers, are fact, not speculation. After the Second Circuit entered its decision, respondent Tasini declared that " '[e]very single data provider is now at risk * * * . We could go into court tomorrow if we wanted and ask *to shut down every database*.' " Felicity Barringer, *Freelancers Win Appeal In Copyright Suit*, N.Y. Times, Sept. 28, 1999, at C1 (emphasis added). Mr. Tasini was quite emphatic that the judgment portended a " 'tidal wave of lawsuits,' " Jason Williams, *Who Owns History*?, Editor & Publ'r Mag., Dec. 11, 1999, at 26, a metaphor he recently updated by characterizing

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7. Libraries will be hardest hit by the information-destroying effects of the decision below because, as one commentator has recently recognized, it is "unlikely, given the current budget trends, that libraries will be able to consistently purchase both an electronic version and a print or microfilm version of all resources, and libraries may be forced to choose between easy access and complete access." Shelly Warwick, *Changing the* Times: *the* Tasini *Decision and Why Future Full-Test Sources May Cost More or Not be Complete*, in Proceedings of the 21st National Online Meeting 487 (Martha E. Williams ed., 2000). The situation is particularly grave for large research institutions, which will be increasingly dependent on electronic archives in the future. See generally *Commission on Physical Sciences, Mathematics, and Applications, National Research Council, LC21: A Digital Strategy for the Library of Congress* (forthcoming 2000).

virtually every newspaper in the country as sitting on a "financial ticking time bomb." *See* Randy Dotinga, *Free-Lance Union Demands Restitution from Papers: Writers Union Targets Knight Ridder-Owned News Library*, (last modified July 13, 2000) <http://www. editorandpublisher.com/ephome/news/newshtm/stories/071300nl.htm>.

Representatives of publishers and database companies, in turn, submitted sworn and uncontradicted testimony in the Second Circuit that deletions of freelance articles would have to begin immediately and that CD-ROM products would have to be withdrawn from the market.[8] On the basis of this testimony,

8. *See, e.g.*, Declaration of Kenneth A. Tillman, attached to Motion by Defendants-Appellees for Stay of Mandate Pending Filing of Petition for Writ of Certiorari, at ¶ 16 ("UMI would have to consider removing from circulation all CD-ROM discs containing any freelance articles, in addition to those that contain Appellants' articles. It would be impossible, as a practical matter, to locate all such articles, which would include travel pieces, book reviews, stories sent in by stringers, letters to the editor, Op-ed pieces, and unsolicited articles sent in by public officials and other citizens. * * * Because of the logistical impossibility of identifying all such articles and removing the discs containing them, UMI's only recourse might be to remove from circulation all CD-ROMs from past years * * *. This would make the UMI CD-ROM products useless as a historical archive."); Declaration of Fred T. Leftrict, Jr., attached to Motion by Defendants-Appellees for Stay of Mandate Pending Filing of Petition for Writ of Certiorari, at ¶ 7 ("NEXIS could be forced to delete many other freelance articles in addition to Appellants', because it would be impossible, as a practical matter, for publishers whose publications appear on NEXIS to identify, locate, and negotiate with all freelance writers whose works they have published since NEXIS began storing their periodicals. The number of works lost to NEXIS and the public through their process could number in the tens or hundreds of thousands."); Declaration of Alan Greengrass, attached to Motion by Defendants-Appellees for Stay of Mandate Pending Filing of Petition for Writ of Certiorari, at ¶ 12 ("the *Times* would have to consider deleting from the electronic databases many other freelance articles in addition to Appellants' * * * . The number of works lost through this process could number in the thousands or tens of thousands"). These Declarations are included in the lodging to be filed with petitioner's reply.

the court of appeals stayed its mandate pending the disposition of this petition for certiorari. The Second Circuit therefore was manifestly wrong to offer that publishers and freelance authors may "contract around" its holding by entering into agreements permitting electronic publication of freelance contributions. Pet. App. 17a. That suggestion fails to grasp the practical impossibility of locating and negotiating with thousands of individual freelance authors, their transferees and/or their heirs or statutory successors, *see* 17 U.S.C. § 203, in the face of threats of litigation regarding the use of articles *already stored* in electronic archives and regarding the damages due as a result of *prior* electronic publication. Indeed, the sheer logistical difficulties inherent in this process will lead to the deletion of freelance contributions even in the absence of specific demands to do so from freelancers. *See* Nancy Garman, *The* Tasini *Decision and Database Integrity*, Online, Jan. 1, 2000, at 8 ("[W]hat about the ***millions*** of articles online in full text that date back to the 1970s and 1980s, and are not covered by explicit author agreements? . . . [C]omprehensive searches of full-text files will be a thing of the past, since you can't search what isn't there.") (emphasis added).

Moreover, the organization led by respondent Tasini (the National Writers Union) has rejected the contractual solution in favor of class action litigation. In response to the Second Circuit's decision in this case, *The Boston Globe*, which is a subsidiary of petitioner The New York Times Company, adopted a policy of hiring freelance authors only upon concluding contractual agreements granting it the right to publish freelance contributions electronically. The National Writers Union has filed a class action on behalf of approximately nine hundred freelance authors alleging that the policy constitutes an invalid business practice under Massachusetts state law. *See Marx v. The Globe Newspaper Co.*, Mass. Super. Ct. No. 00-2579 (complaint filed June 12, 2000).

In sum, not since the Ninth Circuit's decision that this Court reversed in *Sony Corporation of America v. Universal Studios*, 464 U.S. 417 (1984), which involved a challenge to the public's right to videotape television programs at home, has there been a copyright decision that so precipitately makes unlawful so firmly established and widespread a practice or one that so adversely affects the consumer, commercial, library, and academic communities. *See also id.* at 456 ("One may search the Copyright Act in vain for any sign that the elected representatives of the millions of people who watch television every day have made it unlawful to copy a program for later viewing at home * * * ."). The Second Circuit's decision, in and of itself and entirely apart from what any other circuit might later hold, forces the destruction of large volumes of constitutionally protected material without any proper basis. Unlike the myriad cases — by far the most typical on the certiorari docket — in which the adverse consequences of an erroneous ruling by a single circuit court are largely reversible by later review in this Court after further percolation in the lower courts, this is a case in which the necessarily risk-averse position of petitioners, as well as other publishers and database providers around the country, leaves no choice other than to take irreversible, information-destroying steps when the Second Circuit's judgment takes effect. In cases such as this, where any possibility of subsequent error correction necessarily would come too late, this Court need only decide one question in determining whether to grant certiorari: Is the decision below sufficiently dubious on the merits such that the massive destruction of constitutionally protected information is too great a cost to bear to warrant deferring review of the question presented? *Cf. Nebraska Press Assn. v. Stuart*, 427 U.S. 539, 580 (1976) (Brennan, J., concurring in the judgment) (reiterating view that "each passing day constituted an irreparable infringement on First Amendment values"). Here, for the reasons set forth below, it is difficult to conceive of a copyright decision that could rest on more fundamental misapplications of settled

copyright law, or that could have greater adverse consequences for the public's right of access to copyrighted expression.

Fortunately, the necessity of immediate review is matched by the unique suitability of this case as a vehicle for addressing the question presented. The parties, which include multiple freelance authors and several publications and database providers, compiled an exhaustive record regarding the nature of the Publications, the electronic copies stored in databases, and the Articles in question. *Cf. Avis Rent A Car System v. Aguilar*, 120 S. Ct. 2029, 2033 (2000) (Thomas, J., dissenting from denial of certiorari) (noting that members of the Court may have been disinclined to grant certiorari based on the lack of a developed factual record). (Petitioners have submitted to this Court a copy of the record on the joint motions for summary judgment, which amply demonstrates the factual development below.) By contrast, any later case (such as a subsequent copyright infringement suit brought by a freelance author) is very unlikely to have the benefit of so broad an array of parties or of so fully developed a record, especially in light of the *de facto* national scope of the Second Circuit's decision. This case accordingly merits the Court's immediate review.

II. Certiorari Is Warranted Because The Decision Below Conflicts With Decisions Of This Court And Of Other Circuits.

The Second Circuit's holding that electronic publication violates the copyrights held by contributing freelance authors conflicts with two important principles of copyright law settled by this Court and other circuits. Both conflicts are inexplicable given that the only difference between the copies stored in the electronic databases and paper editions of periodicals stored on library shelves is that the former accelerate and improve research, benefits that are entirely consonant with the goals of the Copyright Act. As the district court recognized, electronic databases "permit users to consult defendants' periodicals in new ways and with new efficiency, but for the same purposes that they might otherwise review the hard copy versions of those

periodicals." Pet. App. 75a. There can be no dispute that research in back copies of periodicals, even in paper copies, consistently involves searching for individual articles rather than complete back editions and that Congress, in enacting the 1976 Copyright Act, was fully cognizant of the impending development of the specific technologies at issue in this case: computers and electronic databases.[9]

Moreover, as the district court also recognized, under the Copyright Act's media neutral definitions, periodicals remain the same works whether published in paper or on a computer disc. Specifically, under Section 101 of the Act, a "literary work" remains the same "regardless of" whether it is embodied in paper or instead on a diskette and a "copy" of a work is the same whatever the medium in which it is embodied. Pet. App. 57a (citing 17 U.S.C. § 101).

The Second Circuit's decision, by contrast, proceeds as though: (i) users of the databases retrieve *individual articles* when they research back issues electronically but *entire editions*

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9. For example, the Copyright Office explained in testimony regarding the Act that

> you can read the Bill from beginning to end and you won't find in it any reference to computers [even though] these are one of the coming instruments of communication in the future. We have tried to phrase the broad rights granted in such a way that they can be adapted as time goes on to each of the new advancing media.

Copyright Law Revision: Hearing on H.R. 4347, 4680, 6831, 6835 Before Subcomm. No. 3 of the House Comm. on the Judiciary, 89th Cong., 1st Sess. 57 (1965) (testimony of George D. Cary, Deputy Register of Copyrights). Congress also was specifically presented with testimony confirming that computer databases would be used as vast libraries in which complete books and periodicals could be stored in their entirety but accessed in exactly the way the NEXIS database and UMI CD-ROMs are used today. Hearings on H.R. 2223 at 338 (testimony of Paul G. Zurkowski, President, Information Industry Association) (under the Act, collective works such as encyclopedias and periodicals would be input, and through computer equivalents of the *Reader's Guide*, located to access individual contributions).

when they use paper indices and paper or microfilm editions of the periodicals; and (ii) Congress intended to treat electronic databases and print editions as somehow fundamentally different under the Copyright Act. In fact, nobody can seriously maintain either of these notions. Under the Second Circuit's artificial approach to paper versus electronic copies and new versus revised works, new and infringing "anthologies" are created on the hard drive of every computer in a judge's chambers whenever multiple programs (word processing or spreadsheet), memos from law clerks, letters, or other copyrightable materials are stored. That unworkable proposition is completely inconsistent with Congressional intent and the widely held recognition that it makes no sense to impose print-related concepts on the bits and bytes that make up databases. *See* Jane Ginsburg, *"No 'Sweat'? Copyright and Other Protection of Works of Information After* Feist v. Rural Telephone," 92 Colum. L. Rev. 338, 345 (1992) (computer databases "may lack any 'arrangement,' for they are designed to permit the user to impose her own search criteria on the mass of information").[10] Instead, it is the district court's conclusion — that "NEXIS and UMI's CD-ROMs carry recognizable versions of the publisher-defendants' newspapers and magazines" and simply "store those versions within something akin to an electronic research library," Pet. App. 75a n.16 — that the Copyright Act's policy of media neutrality plainly compels.

The problems created by the decision below are all the more troubling because the Second Circuit has construed the Copyright Act so as to create a conflict between the Act's

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10. *See also* Robert C. Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 531 (1981) (it is "senseless to seek . . . a specific, fixed arrangement of data. There is simply a collection of information stored in an electronic memory — information that can be arranged and retrieved in variations limited only by the capabilities of the computer and the sophistication of the retrieval program").

terms and a vital form of technological development. This Court, however, has definitively settled that, in cases of doubt, the Copyright Act should be read to *encourage* new technologies and that restrictions on the use of technology should be left to Congress:

> Sound policy, as well as history, supports our consistent deference to Congress when major technological innovations alter the market for copyrighted materials. Congress has the constitutional authority and the institutional ability to accommodate fully the varied permutations of competing interests that are inevitably implicated by such new technology.[11]

Sony Corp. of Am. v. Universal City Studios, 464 U.S. 417, (1984) (*citing Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975); *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932). Other courts of appeals consistently have recognized, and adhered to, this principle of construction.[12] The Second

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11. It therefore bears noting that in 1983, Congress considered, but refused to adopt, NWU-supported legislation that would have allowed freelancers to terminate the automatic transfer of rights in Section 201(c) if, among other things, "changes in . . . media exploitation" had proved "disadvantageous to the author." Hearing on S. 2044 at 45; S. 2138, 98th Cong. 1st Sess.; 129 Cong. Rec. 34,442 (1983). This legislative history briefed for, but ignored by, the Second Circuit, underscores the impropriety of undoing, by judicial fiat, the deliberate congressional balancing of interests reflected in Section 201(c). *See Rosado v. Wyman*, 397 U.S. 397, 415 n.17 (1970) (congressional failure to adopt proposed amendment "gives rise to an inference" of intent not to enact substance of rejected proposal).

12. As then-Judge Posner wrote for the Seventh Circuit: Congress "wanted the courts to interpret the definitional provisions of the new act flexibly, so that it would cover new technologies as they appeared, rather than to interpret those provisions narrowly and so force Congress periodically to update the act." *WGN Continental Broadcasting Co. v. United Video*, 693 F.2d 622 (CA7 1982); *see also Sony Computer*

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Circuit's decision not only rejected this principle but did so in a manner that brought the Copyright Act into direct conflict with the two other, settled principles of copyright law described below, thus triply meriting review and reversal by this Court.

A. The Decision Below Conflicts With The Holding Of This Court And Other Circuits That The Predicted Conduct Of Independent Third Parties Is Irrelevant To A Claim Of Copyright Infringement.

The Second Circuit's opinion acknowledges that this case involves allegations of direct copyright infringement only: "[T]he Authors' claim is that the copyright each owns in his or her individual articles was infringed *when the Publishers provided them to the electronic databases*." Pet. App. 5a (emphasis added). It is undisputed, however, that "when" such delivery was made, it was delivery of the complete editorial contents of each respective periodical, in the same computer-readable format in which those contents are delivered to those

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Entertainment v. Connectix Corp., 203 F.3d 596, 605 (CA9 2000) (refusing to adopt holding that would have effect of requiring difficult and less efficient development of computer software as resulting in " 'wasted effort' " antithetical to copyright law (*quoting Feist*, 499 U.S. at 354)); *Columbia Pictures Indus. v. Redd Horne, Inc.*, 749 F.2d 154, 157 (CA3 1984) ("It is acknowledged that it is the role of the Congress, not the courts, to formulate new principles of copyright law when the legislature has determined that technological innovations have made them necessary.") (*citing Sony v. Universal, supra; Teleprompter Corp. v. CBS*, 415 U.S. 394, 414 (1974)); *Apple Computer v. Franklin Computer Corp.*, 714 F.2d 1240, 1253 (CA3 1983) (relying on "Congress' receptivity to new technology and its desire to encourage, through the copyright laws, continued imagination and creativity in computer programming"); *National Cable Tele*vision *Ass'n v. Copyright Royalty Tribunal*, 689 F.2d 1077, 1079 (CADC 1982) (explaining that it was this Court's holding that cable retransmission did not violate the copyrights of broadcasters under the 1909 Act that was a key impetus for enactment of the 1976 Copyright Act (*citing Teleprompter Corp. v. CBS*, 415 U.S. 394 (1974); *Fortnightly Corp. v. United Artists Television*, 392 U.S. 390 (1968))).

who print the paper copies of the Publications. In the terms of the Copyright Act, respondents' claims of direct copyright infringement must be gauged at the point the publications were "fixed" in the databases.[13]

The Second Circuit, however, did not follow that well-settled principle. Instead, it held, as a matter of law, that direct infringement liability may be imposed based solely on the ability of end users to cherry pick, out of the electronic copies, articles "individually or in combination with other pieces originally

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13. *MAI Sys. Corp. v. Peak Comp.*, 991 F.2d 511, 519 (CA9 1993) ("[I]t is generally accepted that the loading of software into a computer constitutes the creation of a copy under the Copyright Act," "whether the software is loaded into the RAM, the hard disk or the read only memory"); *see also Urantia Found. v. Maaherra*, 114 F.3d 955 (CA9 1997) (defendant engaged in copyright infringement by copying 2000 "revelations" published in plaintiff's book into searchable CD-ROM study guide); *Triad Sys. Corp. v. Southeastern Express Co.*, 64 F.3d 1330, 1333 & n.4 (CA9 1995) (holding that "copies * * * are made" when placed "in the computer's random access memory" or "onto the hard drive" or "onto tapes"); *Sega Enters. v. Accolade*, No. 92-15655 1993, U.S. App. LEXIS 78, at *18 (CA9 Jan. 6, 1993) ("In order to constitute a 'copy' for purposes of the Act, the allegedly infringing work must be fixed in some tangible form, 'from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.' 17 U.S.C. § 101. The computer file generated by the disassembly program, the printouts of disassembled code, and the computer files containing Accolade's modifications that were generated during the reverse engineering process all satisfy that requirement."); *Atari Games Corp. v. Nintendo*, 975 F.2d 832, 842 (CA9 1992) (holding that copies were created at each stage in which computer code was "photocopie[d]," "hand-copied", and placed "into a computer"). Decisions of other circuits are to the same effect. *Stenograph LLC v. Bossard Assocs.*, 144 F.3d 96, 100 (CADC 1998) ("The language of the Copyright Act, case law, and common sense support the proposition that the installation of software into a computer results in 'copying' within the meaning of the Copyright Act."); *DSC Communications Corp. v. Pulse Communications*, 170 F.3d 1354 (CAFED 1999) ("copying" occurred when defendant transferred software from digital switching system to memory in computer card).

published in different editions of the periodical or in different periodicals." Pet. App. 6a. This unprecedented approach conflicts squarely with this Court's seminal holding in *Sony*, *supra*, that such end user, "[t]hird party conduct [is] wholly irrelevant in an action for direct infringement." *Sony*, 464 U.S. at 446. In *Sony*, motion picture studios claimed that manufacturers of video tape recorders were liable for copyright infringement because consumers could use the recorders to copy off-air television programming without permission. This Court refused to permit the court of appeals in that case to impose direct liability on the manufacturers for the acts of third-party consumers and held that, because the recorders were capable of "substantial noninfringing uses" (such as taping noncopyrighted programming or taping copyrighted programming for later non-commercial private viewing), contributory liability for infringement did not exist.

Other circuits have adhered faithfully to the distinction between direct and contributory infringement drawn by this Court in *Sony*. For example, in *Los Angeles News Serv. v. Tullo*, 973 F.2d 791 (CA9 1992), the Ninth Circuit held that the defendant (AVRS) infringed the plaintiff's (LAN) copyright in the contents of video tapes by recording the contents of the tapes from television programs and then distributing the material. The court explained that

> "LAN's claim against AVRS is not that AVRS is vicariously liable for alleged infringements by its customers but that it is directly liable for its own infringements: *The difference is crucial*; * * * * the ultimate use to which the customer puts the tape is irrelevant, as is the use AVRS's customers make of the tapes AVRS sells."

Id. at 797 (emphasis added). *See also MicroStar v. Formgen, Inc.*, 154 F.3d 1107, 1113 (CA9 1998) (refusing to consider third-party use of allegedly infringing work because claim asserted was for direct infringement); *Princeton Univ. Press v. Michigan Document Servs., Inc.*, 99 F.3d 1381, 1389

(CA6 1999) (en banc) (rejecting proposition that "copy shops" can assert fair use defense of end user in case of direct infringement: "It is true that the use to which the materials are put by the students who purchase the coursepacks is noncommercial in nature. But the use of the materials by the students is not the use that the publishers are challenging."); *RCA/Ariola Int'l v. Falcon Heights Pharm.*, 845 F.2d 773, 781 (CA8 1988) (recognizing that direct liability cannot turn "on what unknown customers may or may not do").[14]

The Second Circuit's decision simply cannot be reconciled with *Sony* and its progeny in the Sixth, Eighth and Ninth Circuits. The court of appeals concluded here that infringement existed *not* because the Publishers *reproduce or distribute* articles individually (it is beyond dispute that they do not), but instead because *users* of the CD-ROMs or the NEXIS database might *identify* and *read* those articles individually. That is precisely the third-party conduct that *Sony* holds irrelevant to a claim of direct copyright infringement.

Moreover, as the district court noted, respondents had expressly waived below all claims based on such third-party downloads. Pet. App. 33a n.3. This tactical choice is not surprising: Any such claim of contributory copyright infringement undoubtedly would fail because, as *Sony* also holds, the publishing activities challenged below need only be capable of "substantial noninfringing uses" to be protected under the Copyright Act's fair use provision, 17 U.S.C. § 107. 464 U.S. at 442. Given that the vast majority of retrievals by individuals, such as researchers, students, university professors, lawyers, and judges no doubt would qualify as a "fair use" under the Copyright Act, it is clear that the

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14. The Second Circuit's decision also specifically conflicts with the view of the United States Department of Justice as an *amicus* in *Matthew Bender & Co. v. West Publ'g Co.*, 158 F.3d 693 (CA2 1998), *cert. denied*, 119 S. Ct. 2039 (1999), which stressed the importance of a proper "direct" versus "contributory" infringement analysis.

substantial noninfringing uses defense — now precluded under the Second Circuit's unprecedented approach — otherwise would apply. *See generally Campbell v. Acuff-Rose Music*, 510 U.S. 569 (1994); *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539 (1985). The Second Circuit, nonetheless, ran roughshod over this Court's holding in *Sony* — an error exemplified by its baffling failure even to *cite* this Court's *Sony* decision.[15]

B. The Decision Below Conflicts With Decisions Of This Court And Of Other Circuits Holding That "Originality" Is An Essential Element Of The Creation Of A "New" Work Under The Copyright Act.

The Second Circuit held in this case that the reproduction and distribution of electronic copies of periodical issues resulted in a new work outside the privilege accorded to publishers to create "any revision" of their periodicals. According to the Second Circuit, this new work was either "at best a new anthology of innumerable editions of * * * the [Publications], [or] at worst a new anthology of innumerable articles from these editions." Pet. App. 17a. It is undisputed, however, that the differences in the periodicals as fixed in print and as fixed in electronic copies are dictated by the different media involved, with the "revision" in this case characterized only by the omission of graphics, advertisements and agate-type entries. The Second Circuit's decision therefore conflicts with this Court's decision in *Feist*, holding that "[t]he sine qua non of copyright is originality" and that "mechanical" copying of a

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15. By implicitly assuming such end-user conduct to be infringing, the Second Circuit's decision also is in conflict with the decisions of the Fifth and Eleventh Circuits, both of which, in assessing contributory infringement claims, consider whether a product or service is capable of substantial non-infringing uses, such as fair uses. *Cable/Home Communications Corp. v. Network Productions, Inc.*, 902 F.2d 829, 846 (CA11 1990); *Vault Corp. v. Quaid Software, Ltd.*, 847 F.2d 255, 267 (CA5 1988).

work is not sufficient to create a new work, 499 U.S. at 345, and conflicts as well with the circuit court decisions following and elaborating upon *Feist*. Under those decisions, the act of transferring a work from one medium to another is deemed insufficiently original to result in a new work. The differences the Second Circuit identified as creating a "new" work — such features as coding, searchability and digitization — are the necessary and "inevitable" consequence of the very transfer to a new medium, *Feist*, 499 U.S. at 363, and are "dictated by functional considerations and common industry practice," *Bell South Adv. & Pub. Corp. v. Donnelly Info. Pub.*, 999 F.2d 1436, 1443 (CA11 1993). They cannot, therefore, give rise to a "new anthology" outside the scope of the "any revision" privilege. Put simply, a new work is not created by the mechanical way the databases are assembled. *See, e.g., Entertainment Research Group v. Genesis Creative Group*, 122 F.3d 1211, 1222 (CA9 1997) ("making decisions that enable one to reproduce or transform an already existing work into another medium" does not result in copyrightable work); *Superior Form Builders v. Dan Chase Taxidermy Supply Co.*, 74 F.3d 488, 493 (CA4 1996) ("mechanical process" of making casting from sculpture "allowed for no possibility of originality, which is inherent in authorship"); *Sherry Mfg. Co. v. Towel King*, 735 F.2d 1565, 1568 (CA11 1985) ("Thus, the one indispensable element of authorship is originality. One who slavishly or mechanically copies from others may not claim to be an author."); *Gracen v. Bradford Exchange*, 698 F.2d 300, 305 (CA7 1983) (oil painting of still frame from movie "differ[ed] only in the medium" and therefore was not copyrightable).

For this reason, the Copyright Office, empowered by Congress to administer the Act, 17 U.S.C. § 702, refuses to register automated databases "where the collection and arrangement" consists solely of "transferring data from hard copy to computer storage." Circular 65, Copyright Registration for Automated Databases 1 (U.S. Copyright Office 1999). The

Second Circuit's decision to the contrary impermissibly lowers the constitutional originality bar, and conflicts with the decisions of this Court and of other circuit courts of appeal, further pointing to the need for plenary review by this Court.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be granted.

Respectfully submitted,

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APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT DATED AND DECIDED SEPTEMBER 24, 1999 AND AMENDED FEBRUARY 25, 2000

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

August Term, 1998

(Argued: April 26, 1999 Decided: September 24, 1999)
(Amended: FEB 25 2000

Docket Nos. 97-9181, 97-9650

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs-Appellants,

BARBARA BELEJACK; DANIEL LAZARE; JOAN OLECK and LINDSY VAN GELDER,

Plaintiffs,

v.

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; MEAD DATA CENTRAL CORP. and UNIVERSITY MICROFILMS INTERNATIONAL,

Defendants-Appellees.

Appendix A

THE ATLANTIC MONTHLY COMPANY,

Defendant.

Before: WINTER, *Chief Judge*, MINER, and POOLER, *Circuit Judges*.

* * *

WINTER, *Chief Judge*:

Six freelance writers appeal from a grant of summary judgment dismissing their complaint. The complaint alleged that appellees had infringed appellants' various copyrights by putting individual articles previously published in periodicals on electronic databases available to the public. On cross motions for summary judgment, the United States District Court for the Southern District of New York held that appellees' use of the articles was protected by the "privilege" afforded to publishers of "collective works" under Section 201(c) of the Copyright Act of 1976 ("Act" or "1976 Act"), 17 U.S.C. § 201(c). We reverse and remand with instructions to enter judgment for appellants.

BACKGROUND

Appellants are freelance writers (individually, "Author" and collectively, "Authors") who write articles for publication in periodicals. Their complaint alleged that certain articles were original works written for first publication by one of the appellee publishers between 1990 and 1993. None of the articles was written at a time when its Author was employed

by the particular periodical; nor was any such article written pursuant to a work-for-hire contract. The Authors registered a copyright in each of the articles.

The appellee newspaper and magazine publishers (collectively, "Publishers") are periodical publishers who regularly create "collective works," *see* 17 U.S.C. § 101, that contain articles by free lance authors as well as works created for-hire or by employees. With respect to the free lance articles pertinent to this appeal, the Publishers' general practice was to negotiate due-dates, word counts, subject matter and price; no express transfer of rights under the Author's copyright was sought.[1] As to one article alleged in the complaint, however, authored by appellant David S. Whitford for Sports Illustrated, a publication of appellee The Time Incorporated Magazine Company ("Time"), a written contract expressly addressed republication rights. We address Whitford's claim separately below.

Appellee Mead Data Central Corp. owns and operates the NEXIS electronic database. NEXIS is a massive database

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1. Newsday contended in the district court that a legend on the checks it used to pay for freelance pieces made those checks, once endorsed, express transfers of copyright pursuant to Section 204(a) of the Act. The district court rejected this argument, relying on reasoning with which we substantially agree. *See Tasini v. New York Times Co.*, 972 F. Supp. 804, 810-811 (S.D.N.Y. 1997). In any event, Newsday does not cross-appeal.

We note also that The New York Times has since updated its policy to require freelance writers to execute an express transfer of their copyrights. *See id.* at 807 n.2.

that includes the full texts of articles appearing in literally hundreds of newspapers and periodicals spanning many years. Mead has entered into licensing agreements with each of the Publishers. Pursuant to these agreements, the Publishers provide Mead with much of the content of their periodicals, in digital form, for inclusion in NEXIS. Subscribers to NEXIS are able to access an almost infinite combination of articles from one or more publishers by using the database's advanced search engine. The articles may be retrieved individually or, for example, together with others on like topics. Such retrieval makes the article available without any material from the rest of the periodical in which it first appeared.

We briefly describe the process by which an issue of a periodical is made available to Mead for inclusion in NEXIS. First, an individual issue of the paper is stripped, electronically, into separate files representing individual articles. In the process, a substantial portion of what appears in that particular issue of the periodical is not made part of a file transmitted to Mead, including, among other things, formatting decisions, pictures, maps and tables, and obituaries. Moreover, although the individual articles are "tagged" with data indicating the section and page on which the article initially appeared, certain information relating to the initial page layout is lost, such as placement above or below the fold in the case of The New York Times. After Mead further codes the individual files, the pieces are incorporated into the NEXIS database.

Appellee University Microfilms International ("UMI") markets, *inter alia*, CD-ROM database products. Pursuant

to an agreement with The New York Times and Mead, UMI produces and markets the "NY Times OnDisc" ("NYTO") CD-ROM, which contains the full texts of articles from The New York Times. It also produces and markets a "General Periodicals OnDisc" ("GPO") CD-ROM, which contains selected New York Times articles and thousands of other articles. Pursuant to its agreement with Mead and The New York Times, UMI incorporates the files containing Times articles into its NYTO database. UMI uses a somewhat different methodology to incorporate articles from the N.Y. Times Sunday book- review and magazine sections onto its GPO CD-ROM. As to these pieces, UMI scans them directly onto "image-based" files. The image-based files are also abstracted and included on the text-based CD-ROM; the abstracts facilitate access to the image-based disk.

The gist of the Authors' claim is that the copyright each owns in his or her individual articles was infringed when the Publishers provided them to the electronic databases. Appellees do not dispute that the Authors own the copyright in their individual works. Rather, they argue that the Publishers own the copyright in the "collective works" that they produce and are afforded the privilege, under Section 201(c) of the Act, of "reproducing and distributing" the individual works in "any revision of that collective work." 17 U.S.C. § 201(c). The crux of the dispute is, therefore, whether one or more of the pertinent electronic databases may be considered a "revision" of the individual periodical issues from which the articles were taken. The district court held that making the articles available on the databases constitutes a revision of the individual periodicals and that appellees' licensing arrangements were protected under

Section 201(c). *See Tasini v. New York Times Co.*, 972 F. Supp. 804 (S.D.N.Y. 1997) ["Tasini I"]. It therefore granted appellees' motion for summary judgment. After a motion for reconsideration was denied, *see Tasini v. New York Times Co.*, 981 F. Supp. 841 (S.D.N.Y. 1997) ["Tasini II"], appellants brought this appeal.

DISCUSSION

We review *de novo* the grant or denial of summary judgment and view the evidence in the light most favorable to the non-moving party. *See Turner v. General Motors Acceptance Corp.*, 180 F.3d 451, 453-54 (2d Cir. 1999). Summary judgment is appropriate only if the pleadings and evidentiary submissions demonstrate the absence of any genuine issue of material fact and that the moving party is entitled to judgment as a matter of law. *See id.* at 453.

The unauthorized reproduction and distribution of a copyrighted work generally infringes the copyright unless such use is specifically protected by the Act. To reiterate, each Author owns the copyright in an individual work and, save for Whitford, *see infra*, has neither licensed nor otherwise transferred any rights under it to a Publisher or electronic database. These works were published with the Authors' consent, however, in particular editions of the periodicals owned by the Publishers. The Publishers then licensed much of the content of these periodicals, including the Authors' works, to one or more of the electronic database providers. As a result, the Authors' works are now available to the public on one or more electronic databases and may be retrieved individually or in combination with other pieces

originally published in different editions of the periodical or in different periodicals.

In support of their claim, the Authors advance two principal arguments: first, Section 201(c) protects only the Publishers' initial inclusion of individually copyrighted works in their collective works and does not permit the inclusion of individually copyrighted works in one or more of the electronic databases; and, second, any privilege the Publishers have under Section 201(c) is not a transferrable "right" within the meaning of Section 201(d) and hence may not be invoked by the electronic database providers. The district court rejected both arguments, reasoning that the "privilege" under Section 201(c) is a "subdivision" of a right that is transferrable under Section 201(d)(2), 972 F. Supp. at 815, and that the scope of the "privilege" was broad enough to permit the inclusion of the Authors' pieces in the various databases, *see id.* at 824-25. We hold that Section 201(c) does not permit the Publishers to license individually copyrighted works for inclusion in the electronic databases. We need not, and do not, reach the question whether this privilege is transferrable under Section 201(d).[2]

a) *The Section 201(c) Presumption (or, simply, "Section 201(c)")*

Section 201 of the Act provides, *inter alia*, that as to contributions to collective works, the "[c]opyright in each separate contribution . . . is distinct from copyright in the

2. We also do not consider the issue of assignability. Rather, we assume for purposes of this decision only, that the Publishers had the right to assign the articles in question to Mead and UMI.

collective work as a whole, and vests initially in the author of the contribution." 17 U.S.C. § 201(c). Correspondingly, Section 103, which governs copyright in compilations and derivative works, provides in pertinent part that:

> The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material.

17 U.S.C. § 103(b). Section 101 states that "[t]he term 'compilation' includes collective works." 17 U.S.C. § 101. It further defines "collective work" as "a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." *Id.*

Publishers of collective works are not permitted to include individually copyrighted articles without receiving a license or other express transfer of rights from the author. However, Section 201(c) creates a presumptive privilege to authors of collective works. Section 201(c) creates a presumption that when the author of an article gives the publisher the author's permission to include the article in a collective work, as here, the author also gives a non-assignable, non-exclusive privilege to use the article as identified in the statute. It provides in pertinent part that:

> In the absence of an express transfer of the copyright or of any rights under it, the owner of

> copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

17 U.S.C. § 201(c).

Under this statutory framework, the author of an individual contribution to a collective work owns the copyright to that contribution, absent an express agreement setting other terms. *See id.* The rights of the author of a collective work are limited to "the material contributed by the [collective-work] author" and do not include "any exclusive right in the preexisting material." 17 U.S.C. § 103(b). Moreover, the presumptive privilege granted to a collective-work author to use individually copyrighted contributions is limited to the reproduction and distribution of the individual contribution as part of: (i) "that particular [*i.e.*, the original] collective work"; (ii) "any revision of that collective work"; or (iii) "any later collective work in the same series." 17 U.S.C. § 201(c). Because it is undisputed that the electronic databases are neither the original collective work — the particular edition of the periodical — in which the Authors' articles were published nor a later collective work in the same series, appellees rely entirely on the argument that each database constitutes a "revision" of the particular collective work in which each Author's individual contribution first appeared. We reject that argument.

We begin, as we must, with the language of the statute. *See Lewis v. United States*, 445 U.S. 55, 60 (1980). The

parameters of Section 201(c) are set forth in the three clauses just noted. Under ordinary principles of statutory construction, the second clause must be read in the context of the first and third clauses. *See General Elec. Co. v. Occupational Safety & Health Review Comm'n*, 583 F.2d 61, 64-65 (2d Cir. 1978) ("the meaning of one term may be determined by reference to the terms it is associated with" citing 2A Sutherland, Statutory Construction §§ 47.16 (*Noscitur a sociis*), 47.17 (*Ejusdem generis*) (4th ed. 1973)); *see also Securities & Exch. Comm'n v. National Sec., Inc.*, 393 U.S. 453, 466 (1969) ("The meaning of particular phrases must be determined in context.") (citation omitted). The first clause sets the floor, so to speak, of the presumptive privilege: the collective-work author is permitted to reproduce and distribute individual contributions as part of "that particular collective work." In this context, "that particular collective work" means a specific edition or issue of a periodical. *See* 17 U.S.C. § 201(c). The second clause expands on this, to permit the reproduction and distribution of the individual contribution as part of a "revision" of "that collective work," *i.e.*, a revision of a particular edition of a specific periodical. Finally, the third clause sets the outer limit or ceiling on what the Publisher may do; it permits the reproduction and distribution of the individual contribution as part of a "later collective work in the same series," such as a new edition of a dictionary or encyclopedia.

The most natural reading of the "revision" of "that collective work" clause is that Section 201(c) protects only later editions of a particular issue of a periodical, such as the final edition of a newspaper. Because later editions are not identical to earlier editions, use of the individual

contributions in the later editions might not be protected under the preceding clause. Given the context provided by the surrounding clauses, this interpretation makes perfect sense. It protects the use of an individual contribution in a collective work that is somewhat altered from the original in which the copyrighted article was first published, but that is not in any ordinary sense of language a "later" work in the "same series."

In this regard, we note that the statutory definition of "collective work" lists as examples "a periodical issue, anthology, or encyclopedia." 17 U.S.C. § 101. The use of these particular kinds of collective works as examples supports our reading of the revision clause. Issues of periodicals, as noted, are often updated by revised editions, while anthologies and encyclopedias are altered every so often through the release of a new version, a "later collective work in the same series." Perhaps because the "same series" clause might be construed broadly, the House Report on the Act noted that the "revision" clause in Section 201(c) was not intended to permit the inclusion of previously published freelance contributions "in a new anthology or an entirely different magazine or other collective work," *i.e.*, in later collective works not in the same series. H.R. Rep. No. 94-1476, at 122-23 (1976), *reprinted in* 1976 U.S.C.A.A.N. 5659, 5738.

Moreover, Publishers' contention that the electronic databases are revised, digital copies of collective works cannot be squared with basic canons of statutory construction. First, if the contents of an electronic database are merely a "revision" of a particular "collective work,"

e.g., the August 16, 1999 edition of The New York Times, then the third clause of Section 201(c) — permitting the reproduction and distribution of an individually copyrighted work as part of "a later collective work in the same series" — would be superfluous. *See Regions Hosp. v. Shalala*, 522 U.S. 448, 118 S. Ct. 909, 920 (1998) (Scalia, *J.*, dissenting) ("It is a cardinal rule of statutory construction that significance and effect shall, if possible, be accorded to every word. As early as in Bacon's Abridgment, sect. 2, it was said that 'a statute ought, upon the whole, to be so construed that, if it can be prevented, no clause, sentence, or word shall be superfluous, void, or insignificant.' ") (quoting *Washington Mkt. Co. v. Hoffman*, 101 U.S. 112, 115-16 (1879)). An electronic database can contain hundreds or thousands of editions of hundreds or thousands of periodicals, including newspapers, magazines, anthologies, and encyclopedias. To view the contents of databases as revisions would eliminate any need for a privilege for "a later collective work in the same series."

Second, the permitted uses set forth in Section 201(c) are an exception to the general rule that copyright vests initially in the author of the individual contribution. Reading "revision of that collective work" as broadly as appellees suggest would cause the exception to swallow the rule. *See Commissioner v. Clark*, 489 U.S. 726, 739 (1989) (when a statute sets forth exceptions to a general rule, we generally construe the exceptions "narrowly in order to preserve the primary operation of the [provision]"). Under Publishers' theory of Section 201(c), the question of whether an electronic database infringes upon an individual author's article would essentially turn upon whether the rest of the

articles from the particular edition in which the individual article was published could also be retrieved individually. However, Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS.

Appellees' reading is also in considerable tension with the overall statutory framework. Section 201(c) was a key innovation of the Copyright Act of 1976. Because the Copyright Act of 1909 contemplated a single copyright, authors risked losing their rights by allowing an article to be used in a collective work. *See* 3 Melville Nimmer & David Nimmer, Nimmer on Copyright § 10.01[A] (1996 ed.) (discussing doctrine of indivisibility). To address this concern, the 1976 Act expressly permitted the transfer of less than the entire copyright, *see* 17 U.S.C. § 201(d), in effect replacing the notion of a single "copyright" with that of "exclusive rights" under a copyright. *Id.* §§ 106, 103(b). Section 201(d), which governs the transfer of copyright ownership, provides:

> (1) The ownership of a copyright may be transferred in whole or in part . . . .
>
> (2) Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular *exclusive right* is

> entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

Id. § 201(d) (emphasis added); *see also id.* § 204 (executions of transfers of copyright ownership). Similarly, Section 501, which sets forth the remedies for infringement of copyright, provides in pertinent part that "[a]nyone who violates any of the *exclusive rights* of the copyright owner . . . is an infringer." *Id.* § 501(a) (emphasis added).[3] Were the permissible uses under Section 201(c) as broad and as transferrable as appellees contend, it is not clear that the rights retained by the Authors could be considered "exclusive" in any meaningful sense.

In light of this discussion, there is no feature peculiar to the databases at issue in this appeal that would cause us to view them as "revisions." NEXIS is a database comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals. It can hardly be deemed a "revision" of each edition of every periodical that it contains.

Moreover, NEXIS does almost nothing to preserve the copyrightable aspects of the Publishers' collective works, "as distinguished from the preexisting material employed in the work." 17 U.S.C. § 103(b). The aspects of a collective work that make it "an original work of authorship" are the

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3. It is worth noting that Section 201(c) grants collective works authors "only" a "privilege," rather than a "right." Each of these terms connotes specialized legal meanings, and they were juxtaposed by Congress in the same sentence of Section 201(c).

selection, coordination, and arrangement of the preexisting materials. *Id.* § 101; *see also Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349 (1991) (discussing factual compilations).[4] However, as described above, in placing an edition of a periodical such as the August 16, 1999 New York Times, in NEXIS, some of the paper's content, and perhaps most of its arrangement are lost. Even if a NEXIS user so desired, he or she would have a hard time recapturing much of "the material contributed by the author of such [collective] work." 17 U.S.C. § 103(b). In this context, it is significant that neither the Publishers nor NEXIS evince any

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4. In arguing that NEXIS is a "revision," an analogy might perhaps be made to cases involving factual compilations and applying a "substantial similarity" test. *Tasini I*, 972 F. Supp. at 825 n.15 (analogizing to factual compilation cases). Although the "selection and arrangement" analysis of factual compilation cases is clearly relevant to this case, "substantial similarity" analysis is inapposite. In factual compilation cases, an infringement action is brought by one compilation author against another compilation author. Because neither author — indeed, no one — owns a copyright in the underlying factual material comprising each collective work, the inquiry in such cases is whether the latter compilation is "substantially similar" in selection or arrangement to the former; no claim exists as to unauthorized use of the facts. *See id.* at 821-22. Here, by contrast, the compilations are "collective works" that contain individually copyrighted material, and the infringement action is brought by the author of the individual work. Because Sections 103(b) and 201(c) make clear that the author of the individual contribution retains all rights in his or her piece, the author clearly may bring an infringement action for unauthorized republication of the work. This is so, moreover, even if the author of the collective work in which the individual contribution was published might also have an infringement action against the person who republished the contribution.

intent to compel, or even to permit, an end user to retrieve an individual work only in connection with other works from the edition in which it ran. Quite the contrary, The New York Times actually *forbids* NEXIS from producing "facsimile reproductions" of particular editions. *See Tasini I*, 972 F. Supp. at 826 n.17. What the end user can easily access, of course, are the preexisting materials that belong to the individual author under Sections 201(c) and 103(b).

The UMI databases involved in this appeal present a slightly more difficult issue than does NEXIS. One, NYTO, is distinguishable from NEXIS in that it contains articles from only one publisher; the other, GPO, is distinguishable because it includes some image-based, rather than text-based, files. Nevertheless, we also conclude that the Publishers' licensing of Authors' works to UMI for inclusion in these databases is not within the Section 201(c) revision provision.

The NYTO database operates very much like NEXIS; it contains many articles that may be retrieved according to criteria unrelated to the particular edition in which the articles first appeared. Moreover, because the files it contains are provided by Mead pursuant to an agreement between UMI, Mead, and The New York Times, no more of the Times' original selection and arrangement is evident or retained in NYTO than is retained in NEXIS. In every respect save its being limited to The New York Times, then, NYTO is essentially the same as NEXIS. That limitation, however, is not material for present purposes. The relevant inquiry under Section 201(c), is, as discussed above, whether the republication or redistribution of the copyrighted piece is as part of a collective work that constitutes a "revision" of the

previous collective work, or even a "later collective work in the same series." If the republication is a "new anthology" or a different collective work, it is not within Section 201(c). H.R. Rep. No. 94-1476, at 122-23 (1976), *reprinted in* 1976 U.S.C.A.A.N. 5659, 5738. Because NYTO is for present purposes at best a new anthology of innumerable editions of the Times, and at worst a new anthology of innumerable articles from these editions, it cannot be said to be a "revision" of any (or all) particular editions or to be a "later collective work in the same series."

For the same reason, GPO is not protected by Section 201(c). Although this database contains scanned photo-images of editions of The New York Times Sunday book review and magazine, it also contains articles from numerous other periodicals. In this respect, then, it is also substantially similar to NEXIS, and it, too, is at best a new anthology.

We emphasize that the only issue we address is whether, in the absence of a transfer of copyright or any rights thereunder, collective-work authors may re-license individual works in which they own no rights. Because there has by definition been no express transfer of rights in such cases, our decision turns entirely on the default allocation and presumption of rights provided by the Act. Publishers and authors are free to contract around the statutory framework. Indeed, both the Publishers and Mead were aware of the fact that Section 201(c) might not protect their licensing agreements, and at least one of the Publishers has already instituted a policy of expressly contracting for electronic re-licensing rights. *See* note 1, *supra*.

b) *Whitford*

As noted, Whitford entered into an express licensing agreement with Time. That agreement granted, in pertinent part, to Time:

> (a) the exclusive right first to publish the Story in the Magazine:
>
> (b) the non-exclusive right to license the republication of the Story . . . provided that the Magazine shall pay to [him] fifty percent [ ] of all net proceeds it receives for such republication: and
>
> (c) the right to republish the Story or any portions thereof in or in connection with the Magazine or in other publications published by [Time], provided that [he] shall be paid the then prevailing rates of the publication in which the Story is republished.

Time subsequently licensed Whitford's article to Mead without notifying, obtaining authorization from, or compensating, him.

In response to Whitford's infringement action, Time contended that its "first publication" rights under clause (a) permitted it to license Whitford's article to Mead. The district court rejected this argument. *See Tasini I*, 972 F. Supp. at 811-12. Nevertheless, it granted summary judgment in favor of Time on this claim. Upon appellants' motion for

reconsideration, the district court explained that because Whitford's contract appeared to grant republication rights broad enough to cover Time's agreement with Mead, his remedy under the circumstances was a breach of contract claim against Time. *See Tasini II*, 981 F. Supp. at 845. Such a contract claim would be based on the fact that Time had licensed Whitford's piece to Mead without compensating Whitford pursuant to their agreement. Whitford's failure to raise such a claim, in the court's view, undermined his infringement claim. *See id.* The court also explained that the privilege afforded collective-works authors under Section 201(c) operates as a " 'presumed' baseline." *See id.*, 981 F. Supp. at 846. Because Whitford's agreement failed to limit Time's rights to less than those otherwise afforded under Section 201(c), Time was presumed to have rights to Whitford's piece to the full extent of Section 201(c). *See id.* Having already determined that Section 201(c) protected the defendant newspapers' license agreements with Mead, the district court held that Time, too, was protected.

However, the fact that a party has licensed certain rights to its copyright to another party does not prohibit the licensor from bringing an infringement action where it believes the license is exceeded or the agreement breached. *See Schoenberg v. Shapolsky Publishers, Inc.*, 971 F.2d 926, 932 (2d Cir. 1992) ("If a breach of a condition is alleged, then the district court has subject matter jurisdiction."). Rather, where an author brings an infringement action against a purported licensee, the license may be raised as a defense. *See Bourne v. Walt Disney Co.*, 68 F.3d 621, 631 (2d Cir. 1995). Where the dispute turns on whether there is a license at all, the burden is on the alleged infringer to prove the

existence of the license. *See id.* Where the dispute is only over the scope of the license, by contrast, "the copyright owner bears the burden of proving that the defendant's copying was unauthorized." *Id.* In either case, however, an infringement claim may be brought to remedy unauthorized uses of copyrighted material. *See id.* Whitford did not, therefore, have the burden of pleading a contract claim against Time.[5]

With respect to express transfers of rights under Section 201(c), that provision provides in pertinent part that "[i]n the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution [in limited circumstances]." 17 U.S.C. § 201(c). Whitford contends that this provision, by its plain terms, does not apply where there is "an express transfer of copyright or of any rights under it," and that his license agreement with Time constitutes just such an express transfer. Therefore, he contends, the court erred in applying the privilege at all.

As noted, the district court rejected this argument, observing that "Section 201(c) does not provide that the

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5. Time did not raise paragraphs (b) or (c) of its license agreement with Whitford as a defense to his infringement claim. Instead, Time contended that the "first publication" rights it received in paragraph (a) covered its subsequent license to Mead and that it did not therefore have to further compensate Whitford for permitting Mead to place his piece in NEXIS. Time took this position, of course, because it did not compensate Whitford pursuant to the agreement and could not, therefore, convincingly invoke the conditional license granted in paragraphs (b) and (c) thereof.

specified privileges apply 'only' in the absence of an express transfer of rights," but rather that "in the absence of an express transfer of rights, publishers are presumed to acquire 'only' the delineated privileges." *Tasini II*, 981 F. Supp. at 845. The district court went on to hold that "the specified privileges represent a floor — *i.e.*, a minimum level of protection which, if unenhanced by express agreement, publishers are generally presumed to possess. In other words, . . . in the absence of an express transfer of 'more,' a publisher is presumed to acquire, at a minimum [ ], the delineated privileges." *Id.* at 845-46.

Under the district court's reasoning, therefore, unless Time's agreement with Whitford explicitly narrowed its "privilege" under Section 201(c), the privilege accorded by that Section would continue to exist concurrently with any other rights obtained under the agreement. Given the district court's previously expressed broad view of the Section 201(c) privilege, Time prevailed, not because the agreement authorized the licensing of Whitford's article to Mead but because the agreement did not forbid it.

The district court is mistaken. As discussed above, Section 201(c) creates only a presumption by the parties as to what an author means to convey by giving consent to inclusion of an article in a collective work. Section 201(c) does not permit a collective-work author in Time's shoes to license to Mead an individually-copyrighted work such as Whitford's article. Time's rights to license the article to Mead must, therefore, be derived from its agreement with Whitford. However, we agree with the district court that paragraph (a) of that agreement does not authorize such a license, and the

record is clear that Time cannot invoke the conditional license provided in paragraphs (b) and (c). *See* Note 4, *supra*. There being no other basis for Time to license Whitford's article to Mead, summary judgment should have been granted in favor of Whitford on his claim.

CONCLUSION

We therefore reverse and remand with instructions to enter judgment for appellants.

APPENDIX B — OPINION AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK DATED AND FILED AUGUST 13, 1997

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, and DAVID S. WHITFORD,

Plaintiffs,

– against –

THE NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., MEAD DATA CENTRAL CORP., and UNIVERSITY MICROFILMS INC.,

Defendants.

* * *

OPINION AND ORDER

In this action, the Court is called upon to determine whether publishers are entitled to place the contents of their periodicals into electronic data bases and onto CD-ROMs without first securing the permission of the freelance writers

whose contributions are included in those periodicals. According to the Complaint, filed by a group of freelance journalists, this practice infringes the copyright that each writer holds in his or her individual articles. The defendant publishers and electronic service providers respond by invoking the "revision" privilege of the "collective works" provision of the Copyright Act of 1976, 17 U.S.C. § 201(c). Defendants maintain that they have not improperly exploited plaintiffs' individual contributions, but that they have permissibly reproduced plaintiffs' articles as part of electronic revisions of the newspapers and magazines in which those articles first appeared. For the reasons to be discussed, the Court agrees with defendants, and grants summary judgment in their favor.

BACKGROUND

Plaintiffs are six freelance writers who have sold articles for publication in a variety of popular newspapers and magazines, including *The New York Times*, *Newsday*, and *Sports Illustrated*. The first two of these periodicals, published respectively by defendants The New York Times Company and Newsday, Inc., are daily newspapers widely circulated to subscribers and newsstands. *Sports Illustrated*, published by the defendant Time, Inc. ("Time"), is a weekly magazine featuring articles and commentary of particular interest to sports enthusiasts. In addition to circulating hard copy versions of their periodicals, the defendant publishers sell the contents of their publications to the remaining defendants — University Microfilms Inc. (now called UMI Company ("UMI")) and The MEAD Corporation (now called

LEXIS/NEXIS ("MEAD")) — for inclusion in assorted electronic data bases.[1]

MEAD owns and operates NEXIS, an on-line, electronic, computer assisted text retrieval system in which articles from a number of leading newspapers, newsletters, magazines, and wire services — including *The New York Times*, *Newsday*, and *Sports Illustrated* — are displayed or printed in response to search requests from subscribers. (Pl.s' Mot. Summ. J. Ex. 49 at M01464.) UMI produces and distributes two CD-ROM products identified by plaintiffs in their Amended Complaint. One of these products, "The New York Times OnDisc," operates in much the same manner as NEXIS, and is made up of the articles appearing in each issue of *The New York Times*. The remaining CD-ROM, "General Periodicals OnDisc," provides a full image-based reproduction of *The New York Times Book Review* and *Sunday Magazine*.

Plaintiffs move for summary judgment on their claims of copyright infringement contending that the electronic reproductions of their articles are improper under the Copyright Act. Defendants Time and Newsday move for summary judgment on the ground that plaintiffs entered into contracts authorizing these publishers to sell plaintiffs' articles to the electronic defendants. All of the defendants argue that, even in the absence of such agreements, dismissal of this action is warranted because the publisher defendants properly exercised their right, under the Copyright Act, to produce revised versions of their publications.

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1. Plaintiffs have settled their claims against the defendant Atlantic Monthly.

Appendix B

A. *The Parties' Relationship*

The six plaintiffs claim that defendants infringed their copyrights in a total of 21 articles sold for publication between 1990 and 1993. Twelve of these articles, written by plaintiffs Tasini, Mifflin, and Blakely, appeared in *The New York Times*. Another eight of the articles, by plaintiffs Tasini, Garson, Whitford, and Robbins, were featured in *Newsday*. The remaining article, a piece entitled "Glory Amid Grief" by plaintiff Whitford, appeared in an issue of *Sports Illustrated*. All of the plaintiffs wrote their articles on a freelance basis, and not as employees of the defendant publishers.

1. *The New York Times*

As of the time this action was commenced, freelance assignments for *The New York Times* were typically undertaken pursuant to verbal agreements reached between the newspaper and the contributing journalists. A New York Times editor and a selected freelance writer ordinarily agreed upon such matters as the topic and length of a particular piece, the deadline for submission, and the fee to be paid. (Keller Dec. Ex. B7.) These discussions seldom extended into negotiations over rights in the commissioned articles. Indeed, there were no such negotiations between The New York Times and any of the plaintiffs, all of whom submitted their articles for publication by The New York Times without any written agreements.[2] *Id.*

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2. The New York Times has recently adopted a policy pursuant to which the paper accepts articles by freelance writers only on the express written condition that the author surrender all rights in his or her creation. (Pl.s' Mot. Summ. J. Ex. 43.)

Appendix B

2. *Newsday*

Prior to this action, Newsday solicited its freelance contributions in much the same manner as did The New York Times. Freelance assignments for Newsday were most often undertaken pursuant to discussions between editors and writers and without any written agreements. (Keller Dec. Ex. B2.) However, the checks with which Newsday paid freelance writers for their contributions, including those checks sent to plaintiffs following the publication of their articles, included the following endorsement:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by *Newsday* and for the right to include such material in electronic library archives.

(Pl.s' Mot. Summ. J. Ex. 47.) Plaintiff Tasini crossed out this notation prior to cashing those checks paying him for his two disputed submissions to Newsday. Those plaintiffs who wrote the remaining six *Newsday* articles cashed their checks with the notation intact.

3. *Sports Illustrated*

Only plaintiff Whitford submitted an article for publication in *Sports Illustrated*. The relationship between Time and Whitford was decidedly more formal than the arrangements routinely entered into between freelance

writers and Newsday or The New York Times. Whitford and *Sports Illustrated* entered into a written contract specifying the content and length of the purchased article, the date due, and the fee to be paid by the magazine. The contract also provided *Sports Illustrated* "the following rights":

> (a) the exclusive right first to publish the Story in the Magazine:
>
> (b) the non-exclusive right to license the republication of the Story whether in translation, digest, or abridgement form or otherwise in other publications, provided that the Magazine shall pay to you fifty percent (50%) of all net proceeds it receives for such republication: and
>
> (c) the right to republish the Story or any portions thereof in or in connection with the Magazine or in other publications published by The Time Inc. Magazine Company, its parent, subsidiaries or affiliates, provided that you shall be paid the then prevailing rates of the publication in which the Story is republished.

(Keller Dec. Ex. C7.) Plaintiff Whitford claims that he did not intend, by this language, to grant Time electronic rights in his article. (Pl.s' Mot. Summ. J. Ex. 14.)

B. *The Technological Reproductions*

Beginning in the early 1980s, the defendant publishers entered into a series of agreements pursuant to which they

sold the contents of their periodicals to the electronic defendants. NEXIS has carried the articles appearing in *Sports Illustrated* since 1982, *The New York Times* since 1983, and *Newsday* since 1988. (Keller Dec. Ex. B5 at ¶¶ 3, 4, 8.) UMI has distributed "The New York Times OnDisc" since 1992, and *The New York Times Magazine* and *Book Review* have been available on the image-based CD-ROM since 1990. (Keller Dec. Ex. B6 at ¶¶ 3, 8.)

1. NEXIS

The defendant publishers deliver or electronically transmit to NEXIS the full text of all of the articles appearing in each daily or weekly edition of their periodicals. The publishers provide NEXIS with a complete copy of computer text files which the publishers use during the process of producing the hard copy versions of their periodicals. Coded instructions as to page lay out added to these files permit typesetters working for the publishers to produce "mechanicals" — which resemble full pages as they will appear at publication — copies of which are transmitted to printing facilities for mass production. NEXIS does not use the electronic files to create "mechanicals" or to emulate the physical lay out of each periodical issue: such things as photographs, advertisements, and the column format of the newspapers are lost. NEXIS instead uses the electronic files to input the contents of each article on-line along with such information as the author's name, and the publication and page in which each article appeared. The articles appearing in *The New York Times* and *Newsday* are available within twenty-four hours after they first appear in print, and the articles from an issue of *Sports Illustrated* appear on-line within forty-five days of the initial hard copy publication.

Appendix B

Customers enter NEXIS by using a telecommunications package that enables them to access NEXIS' mainframe computers. Once on-line, customers enter "libraries" consisting of the articles from particular publications, or groups of publications. Customers can then conduct a "Boolean search" by inputting desired search terms and connectors from which the system generates a number of "hits." These "hits," the articles in the library corresponding to the selected search terms, can be reviewed either individually or within a citation list. A citation list identifies each article by the publication in which it appeared, by number of words, and by author. When a particular article is selected for full-text review, the entire content of the article appears on screen with a heading providing the same basic information reported within a citation list. Although articles are reviewed individually, it is possible for a user to input a search that will generate all of the articles — and only those articles — appearing in a particular periodical on a particular day.

2. The New York Times OnDisc

"The New York Times OnDisc," the text only CD-ROM product, is created from the same data furnished by The New York Times to NEXIS. Indeed, at the end of each month, pursuant to a three-way agreement among The New York Times, NEXIS and UMI, NEXIS provides UMI with magnetic tapes containing this information. UMI then transfers the content of these tapes to CD-ROM discs and codes the included articles to facilitate Boolean searching.

Not surprisingly, given that the two systems share data, the text-based CD-ROM operates much like NEXIS. Users

enter search terms prompting the system to access all corresponding articles. These articles are displayed with headings indicating the author, and the date and page of *The New York Times* issue in which the articles appeared. As with NEXIS, an article selected for review appears alone; there are no photographs or captions or columns of text. Moreover, a search typically retrieves articles which were published on different dates, though it is possible to conduct a search that will retrieve all of the articles making up a single issue of *The New York Times*.

3. General Periodicals OnDisc

"General Periodicals OnDisc," an image-based CD-ROM product, does not carry full issues of *The New York Times*, but only the *Sunday Magazine* and *Book Review*. It includes numerous other periodicals, as well, although none of those involved in this litigation. The image-based system differs from the other technologies presently at issue in that it is created by digital scanning. Articles are not inputted into the system individually, but the entire *Sunday Magazine* and *Book Review* are photographed producing complete images of these periodicals. Articles appear precisely as they do in print, complete with photographs, captions, and advertisements.

"General Periodicals OnDisc" does not employ Boolean searching. Image based discs are sold alongside text-based discs, which are searchable, and which provide abstracts of articles. By searching these abstracts, users can identify articles that are of interest to them. Users can then return to the image-based system in order to retrieve those articles.

Drawing upon this interplay between discs, plaintiffs propose that the image-based CD-ROMs are better characterized as part-text/part-image based CD-ROMs.

C. *The Parties' Dispute*

All of the parties recognize that the defendant publications constitute "collective works" under the terms of the Copyright Act of 1976. A collective work is one "in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." 17 U.S.C. § 101. The rights which exist in such works are delineated in 17 U.S.C. § 201(c):

> Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

Plaintiffs maintain that the publisher defendants have exceeded their narrow "privileges" under this provision by selling plaintiffs' articles for reproduction by the electronic defendants. In particular, plaintiffs complain that the disputed technologies do not revise the publisher defendants'

collective works, but instead exploit plaintiffs' individual articles.[3]

Defendants Time and Newsday argue that they are not limited to those privileges set out at the conclusion of Section 201(c), because plaintiffs have "expressly transferred" the electronic rights in their articles. Newsday relies upon the check legends authorizing the publisher to include plaintiffs' articles "in electronic library archives." Time relies upon the "right first to publish" secured in its written contract with plaintiff Whitford. Plaintiffs insist that neither of these provisions contemplate the sort of electronic reproductions presently at issue.

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3. Plaintiffs complain that the electronic reproductions of their articles, on NEXIS and on disc, directly infringe their copyrights. They seek to hold defendants contributorily liable only to the extent that defendants have cooperated with one another in creating these allegedly infringing works. Plaintiffs do not advance the distinct claim that defendants are contributorily liable for potential copyright infringement by users of the disputed electronic services. (12/10/96 Tr. at 34 ("This is not a case in which we have accused the defendants . . . of manufacturing or distributing machines or equipment that can be used by third parties in an infringing way.").) To prevail with such a claim, which would be governed by *Sony Corp. v. Universal City Studios*, 464 U.S. 417, 442 (1984), defendants would merely have to demonstrate that the disputed technologies can be put to "substantial noninfringing uses." *See generally* Ariel B. Taitz, *Removing Road Blocks Along The Information Superhighway: Facilitating The Dissemination of New Technology By Changing The Law Of Contributory Copyright Infringement*, 64 Geo. Wash. L. Rev. 133 (1995) (proposing "non-trivial infringing use doctrine" as alternative approach to claims of contributory infringement).

Appendix B

Even without an express transfer of rights, all of the defendants maintain that the practice of electronically reproducing plaintiffs' articles is authorized under Section 201(c) of the Copyright Act. Defendants argue that the disputed technologies merely generate "revisions of [the defendant publishers'] collective work[s]," and therefore do not usurp plaintiffs' rights in their individual articles. 17 U.S.C. § 201(c). Plaintiffs counter that Section 201(c) was not intended to permit electronic revisions of collective works, and that, in any event, the technologies presently at issue are incapable of creating such revisions.

DISCUSSION

I. INTRODUCTION

Summary judgment is required when "there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). "The moving party has the initial burden of 'informing the district court of the basis for its motion' and identifying the matter 'it believes demonstrate[s] the absence of a genuine issue of material fact.' " *Leibovitz v. Paramount Pictures Corp.*, 1996 WL 733015, *3 (S.D.N.Y. Dec. 18, 1996) (quoting *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986)). Once the movant satisfies its initial burden, the nonmoving party must identify "specific facts showing that there is a genuine issue for trial." Fed. R. Civ. P. 56(e). In assessing the parties' competing claims, the Court must resolve any factual ambiguities in favor of the nonmovant. *See McNeil v. Aguilos*, 831 F. Supp. 1079, 1082 (S.D.N.Y. 1993). It is within this framework that the Court must finally

determine "whether the evidence presents a sufficient disagreement to require submission to a jury or whether it is so one-sided that one party must prevail as a matter of law." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 251-52 (1986).

Where there are cross motions for summary judgment, as there are here, "the standard is the same as that for individual motions for summary judgment and the court must consider each motion independent of the other . . . . Simply because the parties have cross-moved, and therefore have implicitly agreed that no material issues of fact exist, does not mean that the court must join in that agreement and grant judgment as a matter of law for one side or the other." *Aviall, Inc. v. Ryder System, Inc.*, 913 F. Supp. 826, 828 (S.D.N.Y. 1996) (citing *Heublein, Inc. v. United States*, 996 F.2d 1455, 1461 (2d Cir. 1993)), *aff'd*, 110 F.3d 892 (2d Cir. 1997).

II. THE ALLEGED TRANSFER OF RIGHTS PURSUANT TO CONTRACT

Two of the publisher defendants, Newsday and Time, claim that plaintiffs "expressly transferred" electronic rights in their articles, and that it is therefore unnecessary to determine whether the electronic data bases produce revisions of these defendants' collective works. The Court disagrees.

A. *Newsday*

According to Section 204(a) of the 1976 Act, "[a] transfer of copyright ownership . . . is not valid unless an

instrument or conveyance, or a note or memorandum of the transfer, is in writing and signed by the owner of the rights conveyed or such owner's duly authorized agent." 17 U.S.C. § 204(a). "[A] writing memorializing the assignment of copyright interests 'doesn't have to be the Magna Carta; a one-line pro forma statement will do.' However, the terms of any writing purporting to transfer copyright interests, even a one-line pro forma statement, must be clear." *Papa's June Music, Inc. v. McLean*, 921 F. Supp. 1154, 1158-59 (S.D.N.Y. 1996) (citing *Effects Associates, Inc. v. Cohen*, 908 F.2d 555, 557 (9th Cir. 1990)).

The only writing that Newsday points to in support of the transfer of electronic rights appears on the back of the checks it issued to plaintiffs in payment for their articles. In particular, the publisher relies upon the language providing that Newsday has the "right to include [plaintiffs' articles] in electronic library archives." By the time Newsday sent plaintiffs' articles to NEXIS, however, plaintiffs had not yet received or cashed these checks. Plaintiffs therefore contend that any transfer of rights that might have been effected by the check legends occurred too late to excuse defendants' alleged infringement. *See R&R Recreation Products, Inc. v. Joan Cook Inc.*, 1992 WL 88171, *4 (S.D.N.Y. 1992) ("R&R's assignment of the cat and mouse copyright to DMV does not preclude suit by R&R for infringement occurring prior to the assignment.").

Newsday responds by arguing that a "note or memorandum" of transfer can serve to validate a prior oral agreement. *See Eden Toys, Inc. v. Florelee Undergarment Co. Inc.*, 697 F.2d 27, 36 (2d Cir. 1982) ("the 'note or

memorandum of the transfer' need not be made at the time when the license is initiated; the requirement is satisfied by the copyright owner's later execution of a writing which confirms the agreement."); *see also Imperial Residential Design Inc. v. Palms Development Group, Inc.*, 70 F.3d 96, 99 (11th Cir. 1995) ("a copyright owner's later execution of a writing which confirms an earlier oral agreement validates the transfer ab initio."). Newsday is correct as to the law, but finds no support in the facts.

Newsday concedes that there is no evidence of any prior agreements concerning electronic rights in plaintiffs' articles. (Def. Newsday's Res. Pl.s' Rule 3(g) stmt No. 25 ("DEFENDANTS' RESPONSE: Other than the check endorsement . . . there is no evidence of any express agreement, written or oral, between any of the plaintiffs and Newsday with respect to the articles at issue.").) The most Newsday claims is that the check legends confirmed "its understanding" that there had been a transfer of electronic rights in plaintiffs' articles. (Defs' Memo. Supp. Mot. Summ. J. at 14 n. 2.) This is not enough: the record reveals no basis for concluding that Newsday's purported "understanding" was shared by plaintiffs, all of whom deny that they ever intended to authorize the use of their articles on-line. Thus, Newsday cannot now rely upon its check legends to give retroactive effect to supposed unspoken agreements concerning electronic rights in plaintiffs' articles.

The check legends themselves, moreover, are ambiguous and cannot be taken to reflect an express transfer of electronic rights in plaintiffs' articles. *See Playboy Enterprises, Inc. v. Dumas*, 53 F.3d 549, 564 (2d Cir.) (finding that check legend

providing for the "assignment . . . of all right, title, and interest" was ambiguous, and did not effectively transfer copyright in certain paintings), *cert. denied*, 116 S. Ct. 567 (1995); *see also Papa's-June*, 921 F. Supp. at 1159 ("neither the royalty checks nor the attached royalty statements mention a transfer of copyright ownership."); *Museum Boutique Intercontinental, Ltd. v. Picasso*, 880 F. Supp. 153, 162 n. 11 (S.D.N.Y. 1995) ("the checks submitted by MBI, which do not contain any explanatory notations besides 'Picasso royalties,' are not convincing proof, to say the least, of the alleged oral agreement."). Plaintiffs argue persuasively that the most reasonable interpretation of "electronic library archives" does not encompass NEXIS. Plaintiffs provide affidavits from experts who opine that an archive and a commercial data base contain different types of material and serve different purposes. (Pl.s' Mot. Summ. J. Ex. 17.); *cf. American Geophysical Union v. Texaco Inc.*, 60 F.3d 913, 919, 921 (2d Cir. 1995) (photocopying of articles from scientific journal was characterized as "archival" where copies were kept in researcher's files for later reference and were not used for any "direct or immediate commercial advantage"). Plaintiffs also note, and Newsday admits, that Newsday maintains its own "electronic library archives," a computerized in-house storage system that serves no commercial purpose. (Pl.s' Mot. Summ. J. Ex. 35 at 26.) It is at least plausible — and would have been reasonable for plaintiffs to conclude — that Newsday was simply referring to such "archives" in its check legends. In any event, there is no evidence that plaintiffs understood, or should have understood, that the check legends implicated rights extending as far as NEXIS.

In short, there is no basis for holding that the Newsday check legends effected an unambiguous and timely transfer of any significant electronic rights in plaintiffs' articles.

B. *Sports Illustrated*

In support of its Motion for Summary Judgment, defendant Time invokes Section 10(a) of its contract with Whitford. Pursuant to this provision, Sports Illustrated acquired the right "first to publish" Whitford's article. Arguing that this language includes no "media-based limitation," Time contends that its "first publication" rights must be interpreted to extend to NEXIS.[4] *See Bartsch v. Metro-Goldwyn-Mayer, Inc.*, 391 F.2d 150, 154-55 (2d Cir.) (holding that the right to "exhibit" motion picture included the right to exhibit movie on television), *cert. denied*, 393 U.S. 826 (1968); *see also Bourne v. Walt Disney Co.*, 68 F.3d 621, 629 (2d Cir. 1995) ("motion picture" rights did not "unambiguously exclude" videocassette rights), *cert. denied*, 116 S. Ct. 1890 (1996); *L.C. Page & Co. v. Fox Film Corp.*, 83 F.2d 196, 199 (2d Cir. 1936) ("exclusive

4. By focusing upon Section 10(a) of its contract with Whitford, Time conspicuously avoids directly relying upon Sections 10(b) and 10(c). (Def.s' Memo. Supp. Mot. Summ. J. at 38 ("It is undisputed that Sports Illustrated acquired the right 'first to publish' Whitford's article, and that the agreement nowhere expressly delineated or limited the media in which such publication would be permissible. The issue, then, is to determine how to interpret the contract's scope in light of its silence on the issue of format.").) Each of these other provisions broadly authorizes Time to republish Whitford's story provided that the publisher compensates Whitford for the republication. Whitford also does not rely upon these provisions, and does not advance any contract claim against Time.

moving picture rights" included "talkies" as well as silent films); *Rooney v. Columbia Pictures Indus., Inc.*, 538 F. Supp. 211 (S.D.N.Y.) (exhibit "by any present or future method or means" included videocassette rights), *aff'd*, 714 F.2d 117 (2d Cir. 1982), *cert. denied*, 460 U.S. 1084 (1983).

Time's reliance upon the *Bartsch* line of authority is misplaced. *Bartsch* and its progeny stand for the proposition that when contract terms are broad enough to cover a new a technological use, "the burden of framing and negotiating an exception should fall on the grantor." *Bartsch*, 391 F.2d at 155. None of these cases, however, involved a contract (like the one before the Court) that imposed specific temporal limitations such as "first publication rights." The right to publish an article "first" cannot reasonably be stretched into a right to be the first to publish an article in any and all mediums. *Cf. Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 564 (1985) ("The right of first publication encompasses not only the choice whether to publish at all, but also the choices of when, where, *and in what form* first to publish a work.") (emphasis added). Because Whitford's article was "first" published in print, the electronic republication of that article some 45 days later simply cannot have been "first."

III. COLLECTIVE WORKS UNDER THE COPYRIGHT ACT OF 1976

Because the Court cannot find that any of the plaintiffs expressly transferred electronic rights in their articles, the numerous arguments and voluminous record in this case devolve to whether the electronic defendants produced

"revisions," authorized under Section 201(c) of the Copyright Act, of the publisher defendants' collective works. The issue is narrow, but its resolution is not simple: there is virtually no case law parsing the terms of Section 201(c), and certainly no precedent elucidating the relationship between that provision and modern electronic technologies. Further complicating matters, the Copyright Act of 1976 was crafted through a unique and lengthy process involving the input of numerous experts from assorted interest groups and industries. *See* Barbara Ringer, *First Thoughts On The Copyright Act Of 1976*, 22 N.Y.L. Sch. L. Rev. 477 (1977). As a result, the pertinent legislative history is notoriously impenetrable. *See generally* Jessica D. Litman, *Copyright Compromise, and Legislative History*, 72 Cornell L. Rev. 857 (1987).

Despite the numerous challenges, there are several considerations which allow a principled approach to analyzing Section 201(c). Most importantly, the provision cannot be understood in isolation, but must be considered alongside other sections of the Act.

A. Collective Works And Derivative Works Under Section 103(b)

"Both collective works and derivative works are based upon preexisting works that are in themselves capable of copyright." 1 M. Nimmer & D. Nimmer, Nimmer on Copyright § 3.02, at 3-8 (1996 ed.). A derivative work "transforms" one or more such preexisting works into a new creation. *See* 17 U.S.C. § 101. A collective work, on the other hand, consists of numerous original contributions

which are not altered, but which are assembled into an original collective whole. *Id.* In both instances, the copyright law accounts for the fact that the larger work — although it is entitled to copyright protection — consists of independent original contributions which are themselves protected.

The 1976 Act addresses the competing copyright interests apparent in both derivative works and collective works in Section 103(b). Pursuant to this provision:

> The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.[5]

17 U.S.C. § 103(b). Section 103(b) does not represent an innovation under the 1976 Act, but is intended merely to clarify a point "commonly misunderstood" under Section 7 of the 1909 Act.[6] H.R. Report No. 94-1476, at 57 (1976).

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5. Collective works are "compilations" which are composed of protected "preexisting material." *See* Section IIIB3, *infra*. Accordingly, Section 103(b) speaks directly to the copyright status of collective works. *See* Nimmer, § 3.07[A][1], at 3-34.9 n. 1.

6. Section 7 of the 1909 Act provided as follows:

> Compilations or abridgements, adaptations, arrangements, dramatizations, translations, or other versions of works

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Specifically, "copyright in a 'new version' covers only the material added by the later author, and has no effect one way or the other on the copyright or public domain status of the preexisting material." *Id.*

The "misunderstanding" regarding copyright protection in "new versions" and in "preexisting materials" developed largely in connection with derivative works, and grew out of the "new property rights" approach espoused, most prominently, by Judge Friendly of the Second Circuit. *See Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.) (holding that film producer retained rights in underlying story despite fact that novelist, who authorized initial use of story, died before granting producer renewal rights), *cert. denied*, 431 U.S. 949 (1977). According to this view, "once a derivative work is created pursuant to a valid license to use the underlying material, a new property right springs into existence with respect to the entire derivative work, so that even if the license is thereafter terminated, the proprietor of the derivative work may nevertheless continue to use the

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> in the public domain or of copyrighted works when produced with the consent of the proprietor of the copyright in such works, or works republished with new matter, shall be regarded as new works subject to copyright . . . but the publication of any such new works shall not effect the force or validity of any subsisting copyright upon the matter employed or any part thereof, or be construed to imply an exclusive right to such use of the original works, or to secure or extend copyright in such original works.

17 U.S.C. § 7 (1976 ed.) (repealed by Copyright Act of 1976).

material from the underlying work as contained in the derivative work." Nimmer, § 3.07[A][1], at 3-34.9. Numerous authorities on copyright law, including Professor Nimmer, assailed the reasoning in *Rohauer*, deriding the "new property rights" approach as "neither warranted by any express provision of the Copyright Act, nor by the rationale as to the scope of protection achieved in a derivative work." *Id.*

Prior to its holding in *Rohauer*, and contrary to the "new property rights" approach, the Second Circuit had upheld several claims of infringement based upon the unauthorized reuse — by the owner of a valid copyright in a derivative work — of the protected preexisting material. *See, e.g., Gilliam v. American Broadcasting Companies, Inc.*, 538 F.2d 14 (2d Cir. 1976); *G. Ricordi & Co. v. Paramount Pictures Inc.*, 189 F.2d 469 (2d Cir.) (prohibiting plaintiff, in declaratory judgment action, from making a motion picture version of an opera that had been created with the permission of the author of the underlying work), *cert. denied*, 342 U.S. 849 (1951); *see also Russell v. Price*, 612 F.2d 1123, 1128 (9th Cir. 1979) ("since exhibition of the film "Pygmallion" necessarily involves exhibition of parts of Shaw's play, which is still copyrighted, plaintiffs here may prevent defendants from renting the film for exhibition without their authorization."), *cert. denied*, 446 U.S. 952 (1980). In *Gilliam*, for instance, the Court granted an injunction in favor of plaintiffs, the members of a British comedy troop, who claimed that the BBC infringed their copyright in certain scripts. Plaintiffs had authorized the BBC to broadcast television programs based upon these scripts, but took exception when the BBC subsequently sold the programs to

the defendant, an American television network which edited the programs prior to airing them in the United States. In support of its decision to enjoin the defendant from airing those edited versions for a second time, the Second Circuit reasoned that, under Section 7 of the 1909 Act, "any ownership by BBC of the copyright in the recorded program would not affect the scope or ownership of the copyright in the underlying script." *Gilliam*, 538 F.2d at 20. The use of that script without plaintiffs' consent would therefore constitute infringement, "even with the permission of the proprietor of [a] derivative work [based upon that script]." *Id.*

Upholding a Ninth Circuit opinion which rejected *Rohauer* in favor of the Second Circuit's earlier approach in *Gilliam* the Supreme Court finally and firmly settled the "new property rights" controversy. *See Stewart v. Abend*, 495 U.S. 207 (1990). In *Abend*, the author of a fictional story agreed to assign the rights in his renewal copyright term to the owner of a movie version of that story, but died before the commencement of the renewal period. Because the assignment never occurred, the Court held that defendant infringed the copyright of the successor owner of the story by continuing to distribute the film during the renewal term of the preexisting work.

In reaching its result, the *Abend* Court rejected defendants' view, based on *Rohauer* that the "creation of the 'new,' *i.e.*, derivative, work extinguishes any right the owner of rights in the preexisting work might have had to sue for infringement . . ." *Id.* at 222. Citing Nimmer, the Court concluded that such an approach runs counter to the terms of both Section 7 of the 1909 Act and Section 103(b)

of the 1976 Act, each of which advances the same fundamental formula:

> The aspects of a derivative work added by the derivative author are that author's property, but the element drawn from the pre-existing work remains on grant from the owner of the pre-existing work. So long as the pre-existing work remains out of the public domain, its use is infringing if one who employs the work does not have a valid license or assignment for use of the preexisting work. It is irrelevant whether the preexisting work is inseparably intertwined with the derivative work.

Abend, 495 U.S. at 223-24 (citations omitted). Thus, Section 103(b) of the 1976 Act — like Section 7 of the 1909 Act before it — stands as a rejection of the new property rights theory. *Id.*; *see also* Nimmer, § 3.07, at 3-34.9 n. 3. (describing Section 103(b) as "hardly consistent with the new property right theory"). Under Section 103(b), any unauthorized use of preexisting protected material by the creator of a derivative or a collective work infringes the copyright existing in that preexisting material.

B. Defendants' "Privileges" Under Section 201(c)

The first sentence of Section 201(c) — providing that the "[c]opyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution" — essentially reiterates the substance of Section 103(b). If

the provision ended with its first sentence, plaintiffs would prevail in this action. With no "new property right" in the articles making up their collective works, the publisher defendants would not be at liberty to reuse plaintiffs' individual contributions even in new versions of their own periodicals. *See Abend*, 495 U.S. 207; *see also Gilliam*, 538 F.2d 14. In its second sentence, however, Section 201(c) expands upon the baseline established in Section 103(b) by extending to the creators of collective works "only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." 17 U.S.C. § 201(c). The determinative issue here, then, is the precise scope of these "privileges."

1. Privileges As Transferrable Rights

Plaintiffs liken the "privileges" which Section 201(c) extends to "the owner of copyright in the collective work" to narrowly circumscribed nonexclusive licenses. Unlike assignments or exclusive licenses or most other conveyances under copyright law, such limited grants are not transferrable. *See* 17 U.S.C. § 101 (defining "transfer of copyright ownership"). Because the publisher defendants own the copyrights in their collective works, plaintiffs reason that the electronic defendants are guilty of infringement even in the event that they are creating revisions — authorized by the publisher defendants — of the disputed periodicals. (Pl.s' Memo. Supp. Mot. Summ. J. at 16, n. 15; Pl.s' Memo. Opp. Def.s' Cross-Mot. Summ. J. at 19-23.)

Plaintiffs arrive at their understanding of the term "privileges" by juxtaposing Section 201(c) with Section

201(d). The first clause of the latter section provides that "[t]he ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law . . ." 17 U.S.C. § 201(d)(1). According to Section 201(d)(2):

> Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

In plaintiffs' view, the fact that Section 201(d)(2) provides for the transfer of "rights" can only be taken to mean that the "privileges" identified in the preceding section of the Act are nontransferable. This approach distorts the relationship between Section 201(c) and Section 201(d).

Section 201(d)(2) does not speak only of "rights," but also of any "subdivision" of rights. The potential for such a subdivision of rights is created in the preceding section, 201(d)(1), which permits the transfer of copyright, "in whole or in part," either by conveyance or by "operation of law." This recognition of the potential for a partial transfer of copyright "by operation of law" follows from the fact that exactly such a transfer is effected in the preceding Section of the Act, Section 201(c), which extends certain enumerated "privileges" to publishers. In other words, the three provisions operate in tandem: Section 201(c) transfers

plaintiffs' copyrights, "in part," to defendants — a permissible exercise under Section 201(d)(1) — and therefore, under Section 201(d)(2), defendants are left with full authority over the "subdivision" of rights they acquire.

When Sections 201(c) and 201(d) are placed into historical context, the weakness in plaintiffs' position is all the more apparent. The 1976 Act, in significant part, amounts to a repudiation of the concept of copyright indivisibility, a principle pursuant to which the assorted rights comprising a copyright could not be assigned in parts, *i.e.*, subdivided. *See* Nimmer, § 10.01[A], at 10-5. Under this former regime, individual authors were at risk of inadvertently surrendering all rights in a contribution to a collective work either to the publisher of that work, or to the public. *Id.* Under Sections 201(c) and (d) of the 1976 Act, that threat is gone. Authors are no longer at risk of losing all rights in their articles merely because they surrender a small "subdivision" of those rights — either by operation of Section 201(c) or by express transfer — to the publishers of collective works.

The aim of Section 201(c) — to avoid the "unfair[ness]" of indivisibility — would not be further served by equating "privileges" with nonexclusive licenses. H.R. Report No. 94-1476, at 122 (1976). As explained, Congress was not responding to any perceived problem associated with the ability of publishers to enlist the help of outside entities to produce versions of their collective works, but rather to the risk that publishers of collective works might usurp all rights in individual articles. It simply would not have advanced its goal for Congress to have constrained publishers in their efforts to generate and distribute their permitted revisions

and reproductions. Such an approach would not prevent the exploitation of individual contributions, but would serve only to undermine the competing goal of ensuring that collective works be marketed and distributed to the public. *See* H.R. Rep. No. 94-1476, at 122 (1976) (characterizing the Section 201(c) privileges extended to publishers an "essential counterpart" to the basic presumption favoring authors).

The term "privilege" is used in Section 201(c) to underscore that the creators of collective works have only limited rights in the individual contributions making up their collective works; the term does not indicate that the creators of collective works are limited in exercising those few rights, or "privileges," that they possess. Thus, to the extent that the electronic reproductions qualify as revisions under Section 201(c), the defendant publishers were entitled to authorize the electronic defendants to create those revisions.

2. Reproductions, Revisions, and Computer Technology

Plaintiffs advance several arguments in support of their view that the framers of Section 201(c) intended to limit the creators of collective works to revising and reproducing their works in the same medium in which those collective works initially appeared. For the reasons discussed, however, the Court finds nothing in the terminology of Section 201(c), the relevant legislative history, or the nature of revisions generally which supports such an approach.[7]

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7. Plaintiffs undermine their arguments by struggling with the copyright implications of microfilm, a high resolution film which

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Appendix B

a. Display Rights

Plaintiffs contend that the right to reproduce articles as part of a collective work, because it is unaccompanied by other key rights, necessarily precludes the use of computer technologies. Plaintiffs refer to Section 106 of the 1976 Act, which lists the five exclusive rights, *i.e.*, the "bundle" of rights, constituting a copyright. The "reproduction" privilege identified under Section 201(c), as plaintiffs note, invokes the first of these rights — the right "to reproduce the copyrighted work in copies or phonorecords." *See* 17 U.S.C. § 106(1). Section 201(c) does not, however, implicate the distinct right, under Section 106, to "display the copyrighted work publicly." *Id.* at § 106(5). In plaintiffs' view, this absence of any express grant of "display" rights is fatal to defendants' position because a work cannot be reproduced electronically unless it is "displayed" on a computer screen.

By focusing upon the "display" rights that are not granted under Section 201(c), plaintiffs fail to account fully for the "reproduction" rights that are extended to the owners of

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permits users to scroll through entire issues of periodicals. (*Compare* 10/17/96 Tr. at 41 ("I believe that I have conceded this to opposing counsel previously, that I think its possible that the right to make microfilm editions of a publication or a periodical is encompassed by the 201(c) privilege"), *with* 12/10/96 Tr. at 50 (deeming it "probably the correct interpretation of 201(c)" that "even an electronic equivalent of microfilm would be a violation").) Of course, if it is "possible" that Section 201(c) permits microfilm reproductions of collective works, it is impossible that Section 201(c) prohibits reproductions in a new medium.

copyright in collective works. Although "reproduction" is not defined separately under the Act, Section 106 reveals — predictably enough — that reproductions result in "copies." As defendants emphasize, this is a term with a broad and forward looking definition:

> 'Copies' are material objects, other than phonorecords, in which a work is fixed by *any method now known or later developed*, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or *with the aid of a machine or device* . . .

17 U.S.C. § 101 (emphasis added). Thus, the right to reproduce a work, which necessarily encompasses the right to create copies of that work, presupposes that such copies might be "perceived" from a computer terminal.[8]

Plaintiffs argue that the legislative history precludes the Court from reading "display" rights into Section 201(c). As plaintiffs point out, early draft versions of Section 201(c) extended the "privilege to publish" — instead of the privilege

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8. In searching for a reason that microfilm reproductions of collective works might be permissible under Section 201(c), plaintiffs themselves suggest another approach to rejecting their display rights argument. (10/17/96 Tr. at 52 "I would agree with your Honor that they have the right under 201(c) and 109(c) to take plaintiffs' work without their permission and put it in a microfilm.") Section 109(c) permits a person lawfully in possession of a copy of a protected work "to display that copy publicly." 17 U.S.C. § 109(c). Thus, if defendants have reproduced plaintiffs' articles in accord with the conditions set under Section 201(c), they would be entitled to display those copies pursuant to Section 109(c).

to "reproduce" and "distribute" — individual contributions in subsequent versions of a collective work. (Pl.s' Memo. Opp. Def.s' Mot. Summ. J. at 22, n. 37.) " 'Publication' is the distribution of copies . . . of a work to the public." 17 U.S.C. § 101. More importantly, for plaintiffs' purposes, "publication" contemplates the public distribution of a work "for purposes of further distribution, public performance, or public *display* . . ." *Id.* (emphasis added). The absence of the term "publish" from the final version of Section 201(c), according to plaintiffs, must therefore be taken to indicate the absence of any such display rights.

The problem with plaintiffs' argument is that it rests on the unfounded assumption that the replacement of the term "publish" in Section 201(c) necessarily amounted to a rejection not only of that term, but also of the rights it connotes. There is no hint in the pertinent legislative history, however, that Congress settled upon its "reproducing and distributing" language for purpose of diminishing the publication rights initially envisioned for the creators of collective works. To the contrary, it appears that the "reproducing and distributing" language — a seeming paraphrase of the "distribution of copies" language the Act uses to define "publication" — was meant to secure precisely those rights. Indeed, the House Report explicitly equates the privilege of "reproducing and distributing" a contribution as part of a "particular collective work" with the "privilege of *republishing* the contribution under certain limited circumstances." H.R. Report No. 94-1476, at 122 (1976) (emphasis added).

In sum, both the terms of the 1976 Act, and the pertinent legislative history, reveal a design to extend display rights,

in "certain limited circumstances," to the creators of collective works. Thus, so long as defendants are operating within the scope of their privilege to "reproduce" and "distribute" plaintiffs' articles in "revised" versions of defendants' collective works, any incidental display of those individual contributions is permissible.

b. The Updated Encyclopedia

Plaintiffs' narrow reading of defendants' reproduction and revision rights is informed not only by the absence of any "display" rights under Section 201(c), but also by the examples of revisions included in the pertinent legislative history. In particular, plaintiffs rely upon the following passage of the House Report accompanying Section 201(c):

> Under the language of this clause a publishing company could reprint a contribution from one issue in a later issue of its magazine, and could reprint an article from a 1980 edition of an encyclopedia in a 1990 revision of it; the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

H.R. Report No. 94-1476, at 122-23 (1976). To plaintiffs, the modest reach of the encyclopedia example suggests a narrow scope to the term revision, one not contemplating new technologies or significant alterations of format and organization.

For several reasons, plaintiffs are mistaken to approach the encyclopedia example as the outer boundary of

permissible revision. Foremost, the language of Section 201(c) does not support the sort of media restriction that plaintiffs infer from the legislative history. *Cf. Demarest v. Manspeaker*, 498 U.S. 184, 190 (1991) ("When we find the terms of a statute unambiguous, judicial inquiry is complete except in rare and exceptional circumstances."). Indeed, Section 201(c) contains no express limitation upon the medium in which a revision can be created. To the contrary, "any revision" of a collective work is permissible, provided it is a revision of "that collective work."[9]

Plaintiffs attribute the absence of any express prohibition on electronic revisions to the fact that electronic data bases were not a part of the "Congressional consciousness" at the time that Section 201(c) was drafted. (Pl.s' Memo. Supp. Summ. J. at 41.) It is more accurate to say that Congress was aware of such technologies, but did not fully understand their implications. *See* Arthur R. Miller, *Copyright Protection For Computer Programs, Databases, And Computer Generated Works: Is Anything New Since CONTU?*, 106 Harv. L. Rev. 977, 979 (1993). Recognizing its ignorance in such matters, Congress expressly declined — as of the time it passed the 1976 Act — to settle the copyright implications of "automatic systems capable of storing, processing, retrieving, or transferring information . . ." 17 U.S.C. § 117 (repealed by Computer Software Protection Act, Pub. L. No. 96-517, § 117, 94 Stat. 3028

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9. As explained in Section III.B.3., *infra*, a collective work is defined not by the medium in which it appears, but by its original selection and organization of articles and other materials. *See Feist Publications, Inc. v. Rural Telephone Service Company, Inc.*, 499 U.S. 340 (1991).

(1980)). Congress determined that such developing computer technologies required continued investigation, and organized a study of the matter by the National Commission on New Technological Uses of Copyrighted Works (CONTU). H.R. Rep. No. 1476, 94th Cong., 2d Sess. 116 (1976). In 1980, after CONTU determined that the 1976 legislation would afford "the desired substantive legal protection for copyrighted works which exist in machine readable form," Congress repealed the original Section 117. *Id.* at 40. Plaintiffs invoke this history, particularly the initial reluctance of Congress to delve into the realm of computer technologies, as evidence that Section 201(c) was not intended to vest defendants with electronic rights in their collective works.

The legislative history that plaintiffs describe undercuts their argument more than it advances it. The fact that Congress initially saw the need to pass Section 117 is strong indication that, in the absence of such an explicit limitation, it is to be presumed that the terms of the 1976 Act encompass all variety of developing technologies. With the repeal of Section 117, this presumption is restored with respect to computers. Thus, there is no remaining reason to foreclose the possibility of an electronic "revision" of a collective work.

As defendants emphasize, the 1976 Act was plainly crafted with the goal of media neutrality in mind. *See* Register's Report on the General Revision of the U.S. Copyright Law, included in Nimmer at Volume 5, Appendix 14 at 14-8 ("technical advances have brought in new industries and new methods for the reproduction and

dissemination of the . . . works that comprise the subject matter of copyright . . . . In many respects, the [1909 Act] is uncertain, inconsistent, or inadequate in its application to present-day conditions."); *see also* Copyright Law Revision: Hearing on H.R. 4347, 5680, 6831, 6835 Before Subcommittee No. 3 of the House Committee on the Judiciary, 89th Cong., 1st Sess. 57 (1965) (testimony of George D. Cary, Deputy Register of Copyrights: "We have tried to phrase the broad rights granted in such a way that they can be adapted as time goes on to each of new advancing media."). Key terms of the Act are defined to accommodate developing technologies. *See, e.g.*, 17 U.S.C. § 101 (defining "copies" in terms of "any method now known or later developed"; defining "literary works" as works "expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied."). Equally telling, none of the provisions of the Act limit copyright protection to existing technologies. The unusual exception of the original Section 117 only demonstrates that Congress took steps to ensure that its media neutral approach could effectively accommodate developing technologies before ultimately determining that the terms of the 1976 Act were fully equipped for the task.

In sum, it is unwarranted simply to assume — on the basis of one example provided in the legislative history of Section 201(c) — that Congress intended for the terms "reproduction" and "revision" to announce a radical departure from the media neutrality otherwise characterizing the Copyright Act of 1976.

c. A "Plain Reading" of the Term Revision

Throughout their pleadings, plaintiffs seemingly presume that a "revision," by its plain meaning, must be nearly identical to an original. Particularly in the context of the Copyright Act of 1976, this is not so obvious. Conceived as a "revision" of the 1909 Act, the 1976 Act thoroughly changed the face of copyright law in the United States. *See* Barbara Ringer, *First Thoughts On The Copyright Act Of 1976*, 22 N.Y.L. Sch. L. Rev. 477, 479 (1977).

At a bare minimum, the Copyright Act contemplates that a "revision" can alter a preexisting work by a sufficient degree to give rise to a new original creation. *See* 17 U.S.C. § 101. Indeed, a "derivative work," which is itself an "original work of authorship," can be created by means of "editorial revisions" to a preexisting work. *Id.* Thus, even the revised encyclopedia might differ from its predecessor edition by a "substantial, and not merely trivial" degree. *See Eden Toys, Inc. v. Florelee Undergarment Co., Inc.*, 697 F.2d 27, 34 (2d Cir. 1982). If "editorial revisions" can transform a work to this extent, the broader "any revisions" language of Section 201(c) suggests the promise of even greater change.[10]

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10. The Author's Guild of America, as amicus on plaintiffs' behalf, argues that plaintiffs' narrow reading of the term "revision" follows from the dictionary definition of that term: a definition which encompasses "new" and "up-to-date" versions of a prior work. (Memo. Author's Guild at 7 citing Webster's Ninth New Collegiate Dictionary 1010 (1983).) This hardly advances plaintiffs' position. As explained, a derivative work is a "new" version of a preexisting

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The structure and language of Section 201(c) confirm that the parameters of a permissible revision are broader than plaintiffs suppose. Section 201(c) authorizes publishers to "reproduce" an individual contribution "as part of . . . any revision" of the collective work in which it initially appeared. By allowing only "reproductions" of individual contributions, and not revisions of those contributions, Congress plainly intended to prevent publishers from reshaping or altering the content of individual articles. With this limitation in place, Congress apparently was willing to permit publishers significant leeway, *i.e.*, the leeway to create "any revision" of their collective works.

The legislative history is consistent with this construction of Section 201(c). An early draft version of the provision permitted publishers to reproduce an individual contribution to a collective work "as part of that particular collective work and any revisions of it." Harriet Pilpel, a prominent author representative, expressed the following concern related to this language:

> I have but one question with reference to the wording, and that is with respect to the wording

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work; although such a work "borrows substantially" from the work that preceded it, a derivative work is characterized by the fact that it is sufficiently unlike that preexisting work to be termed an original creation. *See Eden Toys*, 697 F.2d at 34. Moreover, derivative works are routinely created within a different medium than the works upon which they are based. *See, e.g., Twin Peaks Productions, Inc. v. Publications International, Ltd.*, 996 F.2d 1366, 1373 (2d Cir. 1993) (classifying a book as a derivative version of the television program upon which it was based).

> at the end of subsection (c): ". . . and any revisions of it." If that means 'any revision of the collective work' in terms of changing the contributions, or their order, or including different contributions, obviously the magazine writers and photographers would not object. But there is an implication, or at least an ambiguity, that somehow the owner of the collective work has a right to make revisions in the contributions to the collective work. This is not and should not be the law, and consequently I suggest that the wording at the end of subsection (c) be changed to make that absolutely clear.

1964 Revision Bill with Discussions and Comments, 89th Cong., 1st Sess., Copyright Law Revision, Part 5, at 9 (H. Comm. Print 1965). In other words, authors were comfortable permitting publishers broad discretion in revising their collective works, provided that individual articles would remain intact. Section 201(c) was modified to accommodate these narrow concerns, and it now clarifies that a publisher is not permitted to revise an original contribution to a collective work, but is permitted to reproduce that contribution "as part of . . . any revision" of "that collective work" in which it initially appeared.

In sum, Section 201(c) does not impose any significant limitations upon publishers through the use of such terms as "privilege," "reproducing," or "any revision." A privilege is transferrable; a reproduction can occur in any medium; and "any revision" might include a major revision. The key limitation imposed upon publishers under Section 201(c) rests in the fact that publishers are permitted only to

reproduce a particular plaintiff's article "as part of" a revised version of "that collective work" in which the article originally appeared.

3. Revising "That Collective Work"

Although the "any revision" language of Section 201(c) is broad, a new work must be recognizable as a version of a preexisting collective work if it is to be fairly characterized a revision of "that collective work." 17 U.S.C. § 201(c). Considering that defendants are prohibited from changing the content of plaintiffs' individual articles, this gives rise to something which, at first blush, might seem puzzling: how can a particular collective work, one made up entirely of separate contributions, be revised without making changes to those contributions? The resolution of this question rests in the fact that collective works, even to the extent that they consist entirely of individual original contributions, possess distinguishing original characteristics of their own — *i.e.*, they are greater than the sum of their parts. It is therefore possible to revise a collective work by changing the original whole of that work without altering the content of the individual contributions to that work.[11]

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11. Many of the original contributions included in the defendant publishers' periodicals qualify as "works made for hire." 17 U.S.C. § 201(b). These pieces are written by employees of the defendant publishers, and the publishers therefore obtain full rights in those articles, including the right to alter those articles. *Id.* Because defendants do not argue that any of plaintiffs' articles qualify as works made for hire, the analysis here focuses only on those rights that the publisher defendants acquire over the articles appearing in their publications simply on the basis of the distinct copyright protection they hold in their collective works.

Appendix B

In order to identify the original characteristics of a collective work, it is useful to recognize that collective works are a form of compilation. "A compilation is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101. "Many compilations consist of nothing but raw data — *i.e.*, wholly factual information not accompanied by any original written expression." *Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 345 (1991). Collective works are a unique form of compilation only because they are not made up of facts, but of "separate and independent works" protected as the original contributions of individual authors. 17 U.S.C. § 101.

Because it is a "bedrock principle of copyright" that no author may possess a copyright in facts, the Supreme Court has struggled to identify those aspects of factual compilations that might reflect the original contribution of the copyright holders in such works. *See Feist*, 499 U.S. 340. Ultimately, the *Feist* Court determined that "[t]he only conceivable expression is the manner in which the compiler has selected and arranged the facts." *Id.* at 349. Because the creator of a collective work, like the creator of any compilation, has no rights in the component parts of his or her work, this same formulation applies. In other words, the creators of collective works are entitled to rights in those works only to the extent that they have demonstrated creativity in selecting and arranging preexisting materials into an original collective whole. *See* H.R. Report No. 94-1476, at 122 (explaining that publishers' "exclusive rights" extent "to the elements of

compilation and editing that went into the collective work as a whole . . ."). It is this original contribution which gives a collective work its unique character, *i.e.*, which makes it identifiable as "that collective work."

Because compilations, and collective works, are characterized by the fact that they possess relatively little originality, defendants must walk a fine line in their efforts to revise their collective works. Defendants are not permitted to place plaintiffs' articles into "new anthologies" or "entirely different magazine[s] or other collective work[s]," but only into revisions of those collective works in which plaintiffs' articles first appeared. *See* H.R. Report No. 94-1476, at 122-23 (1976); *see also Quinto v. Legal Times of Washington, Inc.*, 506 F. Supp. 554 (D.D.C. 1981) (holding that law school newspaper could not authorize a separate District of Columbia newspaper to reprint an article originally published by the law school). If defendants change the original selection and arrangement of their newspapers or magazines, however, they are at risk of creating new works, works no longer recognizable as versions of the periodicals that are the source of their rights. Thus, in whatever ways they change their collective works, defendants must preserve some significant original aspect of those works — whether an original selection or an original arrangement — if they expect to satisfy the requirements of Section 201(c). Indeed, it is only if such a distinguishing original characteristic remains that the resulting creation can fairly be termed a revision of "that collective work" which preceded it.

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C. Applying Section 201(c)

Even to the extent that they accept that an electronic revision of a collective work is a theoretical possibility, plaintiffs insist that the technologies presently at issue "deal in individual articles and not in collective works." (Pl.s' Mem. Supp. Mot. Summ. J. at 37.) For instance, searches retrieve the fill content of individual articles, and not of entire issues. The electronic defendants add coding to individual articles in order to facilitate Boolean searching. Individual articles are stored as separate "files" within the system, where they exist alongside almost countless articles from numerous other publications. Moreover, for the convenience of users, articles are supplemented to make them useful on a stand alone basis; headers appear with each article identifying the author, and the publication and page in which the article appeared. In short, plaintiffs complain that defendants not only fail to preserve their collective works, they actively dismantle those works for purposes of electronically exploiting plaintiffs' individual contributions.[12]

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12. Within this framework, plaintiffs struggle to explain their objections to "General Periodicals OnDisc," which carries photographic images of *The New York Times Sunday Magazine* and *Book Review*. Plaintiffs initially argued that these CD-ROMs do not carry full issues of *The New York Times*, but only discreet sections. The *Sunday Magazine* and *Book Review*, however, are self contained periodicals, *i.e.*, collective works, and defendants are therefore entitled to reproduce them.

At a December 10, 1996 hearing, plaintiffs turned their attention to the abstracts accompanying the image based discs, arguing that these paragraph length synopses constitute unauthorized derivative

(Cont'd)

Appendix B

1. Aspects Of Defendants' Periodicals Preserved Electronically

In order to evaluate plaintiffs' contention that NEXIS and the disputed CD-ROMs "remove everything that constitutes the originality" of the publisher defendants' collective works, it is necessary first to identify the distinguishing original characteristics of those works. (10/17/96 Tr. at 38.) To the extent that defendants' publications reveal an original selection or arrangement of materials, the Court must then determine whether these characteristics are preserved electronically. This two step approach is closely analogous — virtually identical — to the analysis undertaken by those courts confronted with claims of copyright infringement brought by the creators of factual compilations. *See, e.g., Feist*, 499 U.S. 340; *Lipton v. Nature Co.*, 71 F.3d 464 (2d Cir. 1995); *CCC Information Services, Inc. v. MacLean Hunter Reports, Inc.*, 44 F.3d 61 (2d Cir. 1994), *cert. denied*, 116 S. Ct. 72 (1995); *Key Publications, Inc. v. Chinatown Today Publishing Enterprises, Inc.*, 945 F.2d 509 (2d Cir. 1991); *Nester's Map & Guide, Corp. v. Hagstrom Map Co.*, 796 F. Supp. 729 (E.D.N.Y. 1992).

(Cont'd)
versions of plaintiffs' articles. Defendants responded that plaintiffs had not raised this issue in any of their earlier submissions to the Court, and that defendants therefore had not had an opportunity to address the issue in discovery or in argument. The Court has since verified that defendants were correct, and therefore — as indicated during the December hearing — the Court will not consider whether the abstracts infringe plaintiffs' copyrights in their individual articles. (12/10/96 Tr. at 53.)

Appendix B

In the compilation infringement context, courts begin by determining whether the plaintiff's compilation exhibits sufficient originality to merit protection; if there is sufficient originality in either selection or arrangement, it is necessary to determine whether these original elements have been copied into the allegedly infringing work. *Id.*; *see also Skinder-Strauss Associates v. Massachusetts Continuing Legal Education, Inc.*, 914 F. Supp. 665, 672 (D. Mass. 1995) ("If a party demonstrates that its compilation is sufficiently original to be copyrightable, he must further show copyright infringement . . . 'The plaintiff must . . . prove that the copying of copyrighted material was so extensive that it rendered the offending and copyrighted works substantially similar' as a matter of law.") (quoting *Lotus Development Corp. v. Borland Intern., Inc.*, 49 F.3d 807, 813 (1st Cir. 1995)). A finding that an allegedly infringing work copies original aspects of a protected compilation supports a finding of infringement. There is no infringement where a defendant copies only the component parts of a protected compilation.

In the circumstances of this case, the same analysis leads to opposite results. If the disputed periodicals manifest an original selection or arrangement of materials, and if that originality is preserved electronically, then the electronic reproductions can be deemed permissible revisions of the publisher defendants' collective works. If, on the other hand, the electronic defendants do not preserve the originality of the disputed publications, but merely exploit the component parts of those works, then plaintiffs' rights in those component parts have been infringed. That this Court's revision analysis mirrors the Supreme Court's compilation infringement analysis reflects a common concern permeating

both areas. Courts must ensure that the creators of factual compilations and collective works derive their rights solely from their original contributions, and that they not be permitted to usurp complete control over the component parts of their creations. *See* 17 U.S.C. § 103(b); *see also* Nimmer, 3.04[A], at 3-20-21 ("only that which is original with the copyright proprietor or his assignor may be protected by his copyright.").

In *Feist*, a telephone utility company claimed that the defendant publishers infringed its copyright in a local "white pages" by incorporating the phone numbers and addresses listed in that directory into a larger phone book covering a broader geographic region. Recognizing that the creator of a phone book cannot have any exclusive rights in the facts set forth in such a volume, the Court considered whether plaintiff had made any significant original contribution in creating its white pages. Though venturing that "the vast majority of compilations" would reflect sufficient originality in selection and in arrangement to merit protection, the Court concluded that "not every selection, coordination, or arrangement will pass muster." *Feist*, 499 U.S. at 358-59. Indeed, the plaintiffs' white pages were "entirely typical," merely providing an alphabetical listing of all of the phone numbers in a particular region. *Id.* at 362. Therefore, the Court held that defendant did not commit copyright infringement by copying the factual information set forth in plaintiffs directory.

In other instances, as envisioned by the Court in *Feist*, the selection and arrangement of matter in assorted compilations has been sufficiently original to warrant

copyright protection. *See, e.g.*, *Lipton*, 71 F.3d 464; *Eckes v. Card Prices Update*, 736 F.2d 859 (2d Cir. 1984); *Key*, 945 F.2d 509; *CCC*, 44 F.3d 61 (holding that computer data base provider infringed plaintiff's copyright in book of used car valuations by including same selection of vehicles and same price estimates in online system); *Nester's Map & Guide Corp.*, 796 F. Supp. 729 (holding that publisher infringed plaintiff's copyright in a taxi driver's guide of New York City by producing competing guide copying plaintiffs selection and arrangement of street listings). In *Lipton*, for instance, the Second Circuit held that defendant infringed plaintiff's copyright in a book of venery — a guide of "collective terms for identifying certain animal groups" — by releasing a compilation consisting of those very terms that plaintiff had selected for inclusion in his book. 71 F.3d at 467. In *Eckes*, the Court held that defendants infringed plaintiffs' copyright in a baseball card price guide by publishing a competing price "update" which listed essentially the same 5,000 cards that plaintiffs guide designated as "premium." 736 F.2d at 861. These and other decisions highlight that "[t]he amount of creativity, required for copyright protection of a compilation is decidedly small," and that the mere selection of information for publication can often times reflect sufficient originality to warrant copyright protection. *Lipton*, 71 F.3d at 470.

Although relatively little creativity is required to give rise to an original selection or arrangement of materials within a compilation or collective work, great care is required to preserve that original selection or arrangement in a subsequent work. In order to preserve an original selection of materials, for instance, a subsequent work must copy more

than a "certain percentage" of those materials. *See Worth v. Selchow & Righter Company*, 827 F.2d 569, 573 (9th Cir. 1987) (holding that defendants' trivia game did not copy original selection of facts included in plaintiffs trivia encyclopedia where defendant copied only a fraction of those facts), *cert. denied*, 485 U.S. 977 (1988). As the Second Circuit has put it, the subsequent work cannot differ in selection by "more than a trivial degree" from the work that preceded it. *See Kregos v. Associated Press*, 937 F.2d 700, 710 (2d Cir. 1991) (holding that defendant did not infringe plaintiffs form of baseball pitching statistics by devising a competing form including 6 of the 9 categories of statistics identified by plaintiff); *see also Lipton*, 71 F.3d at 471 (finding that defendant's allegedly infringing work contained "essentially the same selection" as plaintiffs).

One of the defining original aspects of the publisher defendants' periodicals is the selection of articles included in those works. Indeed, newspapers and magazines are quite unlike phone books. Far more so even than books of terminology or baseball card guides, selecting materials to be included in a newspaper or magazine is a highly creative endeavor. *The New York Times* perhaps even represents the paradigm, the epitome of a publication in which selection alone reflects sufficient originality to merit copyright protection. Identifying "all the news that's fit to print" is not nearly as mechanical (or noncontroversial) a task as gathering all of the phone numbers from a particular region. Indeed, recognizing matters of interest to readers is a highly subjective undertaking, one that different editors and different periodicals undoubtedly perform with varying degrees of success.

Appendix B

The defendant publishers' protected original selection of articles, a defining element of their periodicals, is preserved electronically. Articles appear in the disputed data bases solely because the defendant publishers earlier made the editorial determination that those articles would appeal to readers.[13] As a result, the disputed technologies copy far more than a "certain percentage" of the articles selected by the publisher defendants. *See Worth*, 827 F.2d at 573; *see also Kregos*, 937 F.2d at 710. Those technologies copy all of the articles which are selected to appear in each daily or weekly issue of *The New York Times* or *Newsday* or *Sports Illustrated*.

Although they recognize that the complete content of all of the articles from each disputed periodical are available electronically, plaintiffs point out that those articles are stored alongside almost countless other articles that appeared in other issues of other periodicals. This immersion into a larger data base does not automatically mean, however, that the defendant publishers' protected original selection is lost. *See CCC*, 44 F.3d at 68 n. 8 ("The district court also believed that CCC did not infringe Red Book's original protected elements because CCC included Red Book's selection in a more extensive data base. We disagree."). Indeed, the

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13. In this regard, there is no intervening original selection of articles that might render NEXIS or UMI's CD-ROMs separate collective works. *See* H.R. Report No. 94-1476, at 122-23 (1976) ("the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work"). Plaintiffs have not, in any event, contended that NEXIS and the disputed CD-ROMs would qualify as such. (10/17/96 Tr. at 32.)

electronic defendants avoid this risk by taking numerous steps to highlight the connection between plaintiffs' articles and the hard copy periodicals in which they first appeared. For instance, users access plaintiffs' articles through data bases consisting only of those articles printed in a particular identified periodical, or particular periodicals. More importantly, once an article is selected for review, that article is identified not only by author, but by the publication, issue, and page number in which it appeared. Thus, the electronic technologies not only copy the publisher defendants' complete original "selection" of articles, they tag those articles in such a way that the publisher defendants' original selection remains evident online.[14]

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14. The fact that the electronic services repeatedly identify the publication from which each article was obtained undermines the persuasive force of an analogy plaintiffs call upon throughout their briefs. Plaintiffs compare the articles appearing in the data bases with car parts; just as a wrecked vehicle is dissembled to create value in its individual parts, plaintiffs contend that each of the defendant publications quickly lose their value as collective works and are therefore electronically dissembled to create value in the individual articles. Once in a data base, however, an article's association with a particular periodical plainly enhances the value of that article. Indeed, an article appearing in *Newsday* or *The New York Times* is instantly imbued with a certain degree of credibility that might not exist in the case of an article never published, or an article published in other periodicals. To the extent that the articles appearing in electronic form can be likened to car parts, then, it is not those parts that can be fitted into most makes and models, but those that are available only at a premium because they meet the design specifications for a particular model produced by a particular automobile manufacturer.

Appendix B

2. Aspects Of Defendants' Periodicals Not Preserved Electronically

According to plaintiffs, the electronic reproductions cannot reasonably be considered revisions of the publisher defendants' periodicals because significant elements of each disputed periodical are not preserved electronically. Put differently, plaintiffs object to the Court's approach because it focuses upon that which is retained electronically, as opposed to that which is lost. Most notably, aside from the image-based CD-ROM, the disputed technologies do not reproduce the photographs, captions, and page lay-out of the defendant publications. With these significant differences between the technological reproductions and the defendant publications, plaintiffs' position has a certain appeal. There is no avoiding that much of what is original about the disputed publications is not evident online or on disc. Ultimately, however, these changes to the defendant publishers' hard copy periodicals are of only peripheral concern to the "revision" analysis.

By its very nature, a "revision" is necessarily a changed version of the work that preceded it. As already explained, (Section III.B.2.c., *supra*), Section 201(c) permits even major changes to collective works. The framers of that provision sought to avoid the exploitation of individual articles, and did not intend to prevent publishers from reworking their collective works in significant ways. In order to permit such reworking, while at the same time preventing changes to the substance of individual articles, Congress determined that publishers would have the leeway to preserve certain original aspects of their creations while discarding others. In the

words of Section 201(c), Congress determined that publishers would be permitted to create "any revision" of their collective works. The critical question for the Court, then, is not whether the electronic reproductions are different from the publisher defendants' collective works; it is inevitable that a revision will be different from the work upon which it is based. The question for the Court is whether the electronic reproductions retain enough of defendants' periodicals to be recognizable as versions of those periodicals.

Because a collective work typically possesses originality only in its selection and arrangement of materials, it is to be expected that, in a revised version of such a work, either the selection or arrangement will be changed or perhaps even lost. This is precisely what has happened here. Lacking the photographs and page lay out of the disputed periodicals, NEXIS and "The New York Times OnDisc" plainly fail to reproduce the original arrangement of materials included in the publisher defendants' periodicals. By retaining the publisher defendants' original selection of articles, however, the electronic defendants have managed to retain one of the few defining original elements of the publishers' collective works. In other words, NEXIS and UMI's CD-ROMs carry recognizable versions of the publisher defendants' newspapers and magazines. For the purposes of Section 201(c), then, defendants have succeeded at creating "any revision[s]" of those collective works.

The Court finds further support for its holding in the language of those compilation infringement cases that have already informed so much of the analysis in this decision. In particular, a work that copies *either* the original selection or

the original arrangement of a protected compilation is "substantially similar" to that compilation for copyright purposes. *See Key*, 945 F.2d at 514 ("If the Galore Directory is substantially similar to the 1989-90 Key directory with regard to that arrangement of categories or that selection of businesses, then a finding of infringement can be supported.") (emphasis added). In other words, where a compilation possesses both an original arrangement and an original selection, a substantial similarity persists even where the original arrangement is sacrificed. *Id.* Thus, because the electronic data bases preserve defendants' original selection of articles, those data bases are "substantially similar," as a matter of law, to defendants' periodicals.[15]

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15. "Substantial similarity," as a term or art, perhaps often times overstates the actual resemblance between two works. In particular, relatively little copying is required to render an allegedly infringing work "substantially similar" to a wholly original creation. *See, e.g.*, *Twin Peaks*, 996 F.2d at 1372 ("the concept of similarity embraces not only global similarities in structure and sequence, but localized similarity in language."); *Harper & Row Publishers v. Nation Enterprises*, 471 U.S. 539 (1985) (finding infringement where defendant published magazine article which excerpted only 300-400 words from President Ford's as yet unreleased memoirs). Substantial similarity, however, is a more exacting standard in the compilation and collective work context. *See Key*, 945 F.2d at 514. Indeed, substantial similarity depends upon the copying of "those elements, and only those elements, that provide copyrightability to the allegedly infringed compilation." *Id.* Thus, to a greater extent than in other areas of copyright law, a finding that a work shares a substantial similarity with a compilation or a collective work provides a fair, if imperfect, indicator that that work actually bears a significant resemblance to the work upon which it is based.

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By invoking the "substantial similarity" test of the compilation infringement cases, the Court does not mean to declare a fixed rule by which a revision of a particular collective work is created any time an original selection or arrangement is preserved in a subsequent creation. In certain circumstances, it is possible that the resulting work might be so different in character from "that collective work" which preceded it that it cannot fairly be deemed a revision. The Court need not speculate or hypothesize as to this possibility, however, because the electronic reproductions do more than merely preserve a defining element of the publishers' collective works. Those technologies preserve that element within electronic systems which permit users to consult defendants' periodicals in new ways and with new efficiency, but for the same purposes that they might otherwise review the hard copy versions of those periodicals. Indeed, in the broadest sense, NEXIS and CD-ROMs serve the same basic function as newspapers and magazines; they are all sources of information on the assorted topics selected by those editors working for the publisher defendants.[16]

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16. Plaintiffs would likely contend that the Court mischaracterizes the "basic function" of a newspaper or magazine by failing to appreciate that hard copy newspapers and electronic data bases are put to very different uses. Plaintiffs propose that people read newspapers to get the day's news, whereas they consult data bases and CD-ROMs for research purposes. A newspaper does not cease to be a newspaper, however, in the event that it comes to be used primarily for research purposes. Once included in the stacks of a library, for instance, a complete issue of *The New York Times* is undoubtedly still an issue of *The New York Times* despite the fact that it would likely be consulted only for particular articles identified by researchers in periodical indices. In this sense, NEXIS and the CD-ROMs do not fail to reproduce versions of defendants' periodicals; they simply store those versions within something akin to an electronic research library.

In sum, if NEXIS was produced without the permission of The New York Times or Newsday or Time, these publishers would have valid claims of copyright infringement against MEAD. If "General Periodicals OnDisc" or "The New York Times OnDisc" was produced without the permission of The New York Times, that publisher would have a valid claim of infringement against UMI. In other words, absent a consideration such as fair use, the defendant publishers would be able to recover against the electronic defendants for creating unauthorized versions of their periodicals. *See* 17 U.S.C. § 107 (describing those circumstances in which the unauthorized creation of a substantially similar version of an original work is excused as "fair use"). The Court is unable to conclude that these electronic versions can be "substantially similar" to defendants' collective works for some purposes, without at least qualifying as "any revision[s]" of those works for present purposes. 17 U.S.C. § 201(c). This is particularly so in light of the fact that these technologies preserve this substantial similarity while retaining the basic character of the publisher defendants' periodicals.[17]

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17. Plaintiffs devote considerable attention to the arrangements entered into between the publisher defendants and the electronic defendants. For instance, plaintiffs emphasize that The New York Times, in one of its license agreements with MEAD, expressly prohibits NEXIS from producing "facsimile reproductions" of *The New York Times*. (Pl.s' Mot. Summ. J. Ex. 38 at M003642.) In its first contract with UMI, on the other hand, The New York Times grants UMI the exclusive right to reproduce full images of the newspaper and its sections. (Pl.s' Mot. Summ. J. Ex. 39 U007357.) Plaintiffs argue that such arrangements demonstrate that The New York Times recognizes that it is profiting from plaintiffs' individual

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Appendix B

3. Section 201(c) And The Rights Of Authors

Plaintiffs are adamant that a ruling for defendants in this case leaves freelance authors without any significant protection under the 1976 Act. This result, according to plaintiffs, cannot be reconciled with the fact that the passage of Section 201(c) — and the dismantling of indivisibility — represented an important victory for individual authors.

As an initial matter, plaintiffs exaggerate the repercussions of this decision. The electronic data bases retain a significant creative element of the publisher defendants' collective works. In numerous other conceivable circumstances, Section 201(c) would apply to prevent the exploitation, by publishers, of individual articles. The New York Times, for instance, cannot sell a freelance article to be included in *Sports Illustrated*. *See Quinto*, 506 F. Supp. 554; *see also* H.R. Report No. 94-1476, at 122-23 (1976) ("the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work"). A magazine publisher cannot rework a featured article into a full length book. *Cf. Oddo v. Ries*, 743 F.2d 630, 633-34 (9th Cir. 1984) (explaining that magazine publisher did not acquire the

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articles through NEXIS, and from its larger periodical through "General Periodicals OnDisc." To the contrary, by selling different original aspects of *The New York Times* to different electronic providers — article selection in the case of MEAD, and visual layout in the case of UMI — the publisher is merely taking advantage of the fact that there is more than one way to revise a collective work.

exclusive right to rework plaintiffs published articles into book form). And publishers cannot create television or film versions of individual freelance contributions to their periodicals. *Cf. Abend*, 495 U.S. 207 (prohibiting film maker from creating movie version of story first published in a magazine without the permission of the author's successor in interest). Though these scenarios are perhaps overshadowed by the seeming omnipresence of NEXIS and CD-ROM technology, authors remain protected under Section 201(c).

The Court does not take lightly that its holding deprives plaintiffs of certain important economic benefits associated with their creations. This does not result from any misapplication of Section 201(c), however, but from modern developments which have changed the financial landscape in publishing. In particular, on-line technologies and CD-ROMs did not begin to flourish commercially until the early to mid 1980s.[18] Thus, when the Copyright Act was formulated, during the 1960s and early 1970s, the most immediate economic threat to freelance writers was not posed by computer technology, but by the sort of transactions described in the preceding paragraph — *e.g.*, the sale of articles between magazines, television adaptations of stories, etc. Congress responded with a provision targeted to prevent such exploitation. Publishers were left with the right to revise their collective works; a right then perceived to have only limited economic value, but a right that time and technology have since made precious.

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18. *See* Sidney A. Rosenzweig, *Don't Put My Article Online!: Extending Copyright's New-Use Doctrine To The Electronic Publishing Media And Beyond*, 143 U. Pa. L. Rev. 899, 929 (1995).

In sum, plaintiffs insist that the framers of Section 201(c) never intended the windfall for publishers permitted under this Court's ruling. This may well be. If today's result was unintended, it is only because Congress could not have fully anticipated the ways in which modern technology would create such lucrative markets for revisions; it is not because Congress intended for the term revision to apply any less broadly than the Court applies it today. In other words, though plaintiffs contend mightily that the disputed electronic reproductions do not produce revisions of defendants' collective works, plaintiffs' real complaint lies in the fact that modern technology has created a situation in which revision rights are much more valuable than anticipated as of the time that the specific terms of the Copyright Act were being negotiated. If Congress agrees with plaintiffs that, in today's world of pricey electronic information systems, Section 201(c) no longer serves its intended purposes, Congress is of course free to revise that provision to achieve a more equitable result. Until and unless this happens, however, the courts must apply Section 201(c) according to its terms, and not on the basis of speculation as to how Congress might have done things differently had it known then what it knows now. *See ABKCO Music, Inc. v. Stellar Records, Inc.*, 96 F.3d 60, 65 (2d Cir. 1996) ("what Congress may or may not do in the future to redefine [a copyright] term is not for us to speculate.").

CONCLUSION

For the reasons set forth above, defendants' motion for summary judgment is GRANTED. The Clerk of the Court is

directed to enter judgment dismissing this action against the remaining defendants in accordance with this Opinion and Order.

SO ORDERED.

Dated: New York, New York
August 13, 1997

s/ Sonia Sotomayor
Sonia Sotomayor
U.S.D.J.

APPENDIX C — JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK DATED AND FILED AUGUST 18, 1997

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 **CIVIL** 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, and DAVID S. WHITFORD,

Plaintiffs,

– against –

THE NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., MEAD DATA CENTRAL CORP., and UNIVERSITY MICROFILMS INC.,

Defendants.

JUDGMENT

Defendants having moved for summary judgment and the motion having come before the Honorable Sonia Sotomayor, United States District Judge, and the Court thereafter, on August 13, 1997, having rendered its Opinion (79095) and Order granting the defendants' motion, it is,

ORDERED, ADJUDGED AND DECREED: That for the reasons stated in the Court's Opinion (79095) and Order

of August 13, 1997, defendants' motion for summary judgment are hereby granted, and judgment is hereby entered dismissing the remaining defendants in accordance with the Court's Opinion and Order.

DATED: New York, New York
August 18, 1997

JAMES M. PARKISON
Clerk of Court

BY: s/ [illegible]
Deputy Clerk

APPENDIX D — OPINION AND ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK DATED OCTOBER 29, 1997

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, and DAVID S. WHITFORD,

Plaintiffs,

– against –

THE NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., MEAD DATA CENTRAL CORP., and UNIVERSITY MICROFILMS INC.,

Defendants.

* * *

OPINION AND ORDER

On August 13, 1997, this Court issued an Opinion and Order dismissing plaintiffs' Complaint, and rejecting the contention that the defendant publishers and electronic service providers had committed copyright infringement by making plaintiffs' freelance articles available in various

electronic formats. *Tasini v. New York Times Co.*, 1997 WL 466520, *3 (S.D.N.Y. Aug. 13, 1997). As the basis for its ruling, the Court applied Section 201(c) of the Copyright Act and determined that defendants had properly republished plaintiffs' individual freelance articles as part of electronic "revisions" of the newspapers and periodicals in which those articles first appeared. 17 U.S.C. § 201(c).

On September 3, 1997, plaintiffs filed a motion for reconsideration, raising a number of objections to the Court's approach in its Opinion and Order. First, plaintiffs argue that the Court should have ruled for Whitford, one of the complaining freelance authors, upon rejecting Time Inc.'s claim that it had acquired electronic rights in one of Whitford's articles pursuant to contract. Second, plaintiffs argue that, even accepting the Court's interpretation of Section 201(c), there is a disputed question of fact as to whether any of the electronic technologies involved in this case qualify as permissible revisions. Finally, plaintiffs contend that the Court mistakenly accepted defendants' representations that plaintiffs had failed to raise an infringement claim relating to certain article abstracts created in connection with one of the disputed technologies, "General Periodicals OnDisc."

For the reasons discussed below, the Court rejects plaintiffs' motion, and declines to reverse any portion of its earlier decision.[1]

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1. In its August 13 Opinion and Order, the Court set out a detailed explanation of the facts and allegations pertinent to this dispute. *Tasini*, 1997 WL 466520, at *1-4. Familiarity with those facts is presumed.

Appendix D

DISCUSSION

1. Plaintiff Whitford's Contract Claim

In its August 13 Opinion, the Court rejected defendant Time Inc.'s claim that it had acquired, by contract, electronic rights in an article written by plaintiff Whitford and first published in the hard copy version of Sports Illustrated. In support of its argument, Time Inc. had invoked a provision of its written agreement with Whitford pursuant to which the publisher acquired "the exclusive right first to publish the Story in the Magazine." *Tasini*, 1997 WL 466520, at *3. Determining that the right of "first" publication could not reasonably be stretched into the right to be the first to publish a particular work in any and all mediums, the Court held that the disputed provision did not authorize Time Inc. to make Whitford's article available on NEXIS some 45 days following its initial hard copy publication.

Having found that Time Inc. failed to acquire electronic rights in Whitford's article pursuant to its selected contract provision, the Court considered whether Time Inc. — along with those defendants who had not entered into enforceable contracts concerning rights in the disputed articles — had nevertheless obtained those rights by statute. Ultimately, the Court determined that they had. All of the defendants had acted within the scope of their "privileges," under Section 201(c) of the Copyright Act of 1976, by creating electronic "revisions" of their collective works.[2]

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2. Section 201(c), which the Court analyzed at length in its August 13 Opinion, provides as follows:

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In their present motion, plaintiffs argue that the Court should have held in Whitford's favor directly upon rejecting Time Inc.'s contract claim. The Section 201(c) privileges, plaintiffs contend, "appl[y] only '[i]n the absence of an express transfer of the copyright or of any rights under it . . .' " (Memo Recon. at 2 (quoting Section 201(c)).) Because there was an express transfer between Whitford and Time, Inc. — and because defendants failed to show that this transfer reaches NEXIS — plaintiffs contend the Section 201(c) privileges simply do not apply in favor of Time Inc. Thus, plaintiffs insist that the Court should have extended the specified statutory privileges only to the remaining defendants, none of whom had entered into any binding agreements concerning rights in the disputed articles.

A. The Court's Contract Holding

Plaintiffs' argument has considerable appeal, but it depends upon a misstatement of the Court's August 13 ruling. The Court did not, as plaintiffs suppose, find that "Whitford

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> Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

17 U.S.C. § 201(c).

did not expressly transfer electronic rights in his article." (Memo. Recon. at 4.) Rather, the Court found that the particular contract provision invoked by Time Inc. — the provision extending "first" publication rights to the publisher — did not authorize the electronic republication of Whitford's article. Because only Time Inc. invoked its contract with Whitford, and because Time Inc. invoked only this provision, the Court was not in a position to announce any broader conclusion concerning the extent to which the remainder of the agreement did or did not reach questions of electronic republication.

The Court noted, however, in its August 13 Opinion, that at least two provisions in the contract between Time Inc. and Whitford potentially encompass rights extending as far as NEXIS. *Tasini*, 1997 WL 466520, at 7 n. 4. One provision, in particular, grants Time Inc. the following right in Whitford's article:

> (b) the right to republish the Story or any portions thereof *in or in connection with the Magazine* or in other publications published by Time Inc. Magazine Company, its parents, subsidiaries or affiliates, provided that you shall be paid the then prevailing rates of the publication in which the Story is republished.

Tasini, 1997 WL 466520, at *3 (emphasis added). This provision, with its broad "in connection with" language, appears explicitly to authorize the republication of Whitford's article as part of a revised version of defendant's magazine, as appears on NEXIS, provided that Whitford is

paid at "prevailing rates." Recognizing this possibility, the Court deemed it significant that plaintiffs neither raised a breach of contract claim in their complaint or in their briefs before the Court, nor presented any persuasive explanation as to why the provision did not — despite its seeming breadth — govern Time Inc.'s republication on NEXIS.[3] *Tasini*, 1997 WL 466520, at 7 n. 4. The Court was thereby left in the unusual position of dealing with a situation likely governed by contract, while dealing with a plaintiff to press a claim only of infringement.

By taking the unconvincing all or nothing stance that its contract with Time Inc. in no way implicated electronic rights, and by declining to press a breach of contract claim, Whitford framed its arguments in such a way that the Court could not make any conclusive determination as to whether

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3. Whitford argued only indirectly that NEXIS dissembles Sports Illustrated to such an extent that it can not even be said that articles are placed online "in connection" with the magazine. This is unconvincing. By placing all of the articles appearing in each issue of Sports Illustrated online, and by identifying each of those articles by the Sports Illustrated issue in which they appeared, NEXIS plainly republishes articles, like Whitford's, "in connection" with the magazine. In any event, if there is some persuasive evidence that the provision does not apply in such circumstances, Whitford never brought it to the Court's attention. *Cf. Bartsch v. Metro-Goldwyn-Mayer, Inc.*, 391 F.2d 150, 155 (2d Cir.) (holding that where contract language is broad enough to cover different technological uses, "the burden of framing and negotiating an exception should fall on the grantor."), *cert. denied*, 393 U.S. 826 (1968); *Bourne v. Walt Disney Co.*, 68 F.3d 621, 631 (2d Cir. 1995) ("in cases where only the scope of the license is at issue, the copyright owner bears the burden of proving that the defendant's copying was unauthorized."), *cert. denied*, 116 S. Ct. 1890 (1996).

Time Inc. had in fact exceeded the full extent of its rights under the contract. The Court was able only to determine that Time Inc. had gone beyond the isolated "first" publication right that it had invoked. Because of the remaining contract questions left unresolved by the parties' presentations, the Court resorted to the Section 201(c) presumption extending certain limited privileges to publishers.

B. The Presumed Privileges

The Court did not, as plaintiffs argue, act inconsistently with the language of Section 201(c) by applying the presumed privileges despite the existence of a contract between the parties. Just as it is a publisher's burden to demonstrate that it has acquired rights greater than the presumed privileges, it is an author's burden to demonstrate that any agreement between the parties limits a publisher to fewer than those privileges. *Cf. Bartsch*, 391 F.2d 150 (where contract language is broad enough to cover different technological uses, "the burden of framing and negotiating an exception should fall on the grantor"); *Bourne v. Walt Disney Co.*, 68 F.3d at 631 (placing burden on copyright holders to demonstrate that particular use of protected work is unauthorized under existing contract). In light of the deficiencies in its contract presentation, this is a burden that plaintiffs failed to meet.

Whitford seeks to avoid any responsibility for invoking his contract with Time Inc. by taking the position that, where a contract is in place between the parties, the Section 201(c) privileges do not apply, and it becomes the publisher's

burden to demonstrate that its actions are authorized under the agreement. (Memo. Recon. at 2.) Contrary to plaintiffs' reading, however, Section 201(c) does not provide that the specified privileges apply "only" in the absence of an express transfer of rights. More precisely, the provision indicates that, in the absence of an express transfer of rights, publishers are presumed to acquire "only" the delineated privileges. 17 U.S.C. § 201(c). Though subtle, this difference is significant.

Instead of using the term "only" to limit those circumstances in which the specified privileges apply, Section 201(c) uses the term "only" to suggest that the specified privileges represent a floor — *i.e.*, a minimum level of protection which, if unenhanced by express agreement, publishers are generally presumed to possess. In other words, it is implicit in the language of section 201(c) — and explicit in the House Report accompanying that provision — that in the absence of an express transfer of "more," a publisher is presumed to acquire, at a minimum (*i.e.*, "only"), the delineated privileges. H.R. Report No. 94-1476, at 122 (1976). Indeed, Congress viewed this minimum level of protection for the creators of collective works as an "essential counterpart" to the larger presumption favoring the authors of individual contributions. *Id.* Thus, because Time Inc. failed to demonstrate that it had obtained rights exceeding the Section 201(c) privileges (*i.e.*, "more"), the Court limited Time Inc. to "only" those "essential" privileges.[4]

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4. The Court recognizes that the circumstances of this case reveal a gap in the language of Section 201(c). By implying that an "express transfer of . . . rights" would necessarily leave a publisher with "more" than the statutory privileges, Congress seemingly

(Cont'd)

Appendix D

The Section 201(c) privileges, as already emphasized, are not framed as an absolute base line, but as a "presumed" baseline. 17 U.S.C. § 201(c). Where a publisher seeks more protection than these privileges provide, the burden is on that publisher to demonstrate that it has acquired the desired rights. Conversely, where a writer attempts to deny a publisher certain of the Section 201(c) privileges, as Whitford does, that writer must defeat the statutory presumption by demonstrating an express transfer reflecting the desired limitations. By failing to explain how — despite a seemingly pertinent contract provision — Time Inc. failed to acquire electronic rights under contract, and by failing in the alternative to allege a breach of that provision, Whitford did not make this required showing. Thus, the Court was left

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(Cont'd)
assumed that any single "right" necessarily encompasses all of the specified "privileges." H.R. Report No. 94-1476, at 122 (1976). Even under plaintiffs' narrow reading of the term "privilege," however, it is possible for an express transfer of rights — such as a transfer of "one time" publication rights, or, as here, "first" publication rights — to leave a publisher with less protection than it would otherwise possess under Section 201(c). By failing to take this into account, Section 201(c) speaks directly only to those situations in which there is either no express transfer — in which case the privileges apply — or an express transfer clearly broad enough to displace the presumption limiting a publisher to "only" the specified privileges. The provision is less direct in dealing with those instances, like the present, in which a contract potentially alters the statutory base line, perhaps even in an author's favor, but neither party has invoked or adequately explained the pertinent contract language. For the reasons explained, the Court finds that, in such a situation, the Section 201(c) presumption applies, leaving a publisher with the specified privileges, and "only" those privileges.

with an insufficient basis either to conclude that Time Inc. had exceeded its rights under the contract, or to hold that Time Inc. had breached that contract. The Court therefore evaluated Whitford's copyright claim pursuant to the Section 201(c) presumptions.

In sum, because both parties failed to displace the Section 201(c) presumption by which publishers are granted certain limited privileges in connection with the individual contributions appearing in their collective works, the Court extended those statutory privileges — and "only" those privileges — to Time Inc.

C. Defendants' Request For Reconsideration

As part of their opposition to plaintiffs' motion, defendants themselves ask the Court to reconsider its determination that first publication rights do not reach NEXIS. According to defendants, nothing could be "more basic" than that the right "first to publish" in a particular "magazine" in no way "circumscribe [s]" a publisher's right to reissue that article in future publications of that same magazine, even in different formats. (Opp. at 8 n. 5, 9 n. 6.) There are at least two problems with this formulation which defendants deem so elementary.

First, the Court has never accepted defendants' characterization that NEXIS carries the same "magazine" in which Whitford's article initially was published; NEXIS, which strips away many of the elements present in the publishers' hard copy periodicals, carries a revised version of that magazine. While this satisfies the "any revision"

language of Section 201(c), the contract provision upon which Time Inc. relies includes no similar language. Thus, there is no basis for interpreting Time Inc.'s "first" publication right to encompass the right first to publish Whitford's article in its hard copy magazine and then again — a considerable time later — in a revised electronic version of that magazine.

Second, in defendants' initial motion, Time Inc. invoked its "first" publication right as the source of its authority to place Whitford's article on NEXIS, but defendant now suggests only that this contract provision in no way "circumscribe[s]" the publisher's existing electronic rights. (Opp. at 8 n. 5.) In other words, defendants tacitly accept that Time Inc.'s right to republish Whitford's article on NEXIS originates from some source other than the cited contract provision. In particular, this authority necessarily derives either from one of the contract provisions that neither party invoked, or from the "privilege" language of Section 201(c) as applied by this Court in its August 13 Opinion.

In sum, in light of the arguments advanced by the parties, the Court properly determined, in its August 13 Opinion, that Time Inc.'s "first" publication rights do not reach NEXIS, and that the Section 201(c) privileges nevertheless apply in favor of Time Inc.

II. Section 201(c) As Applied To The Undisputed Facts

In reaching its determination that the disputed technologies carry permissible "revisions" under Section 201(c), the Court rejected numerous arguments advanced by

the plaintiffs, all of which were offered in support of two basic conclusions: (i) plaintiffs argued that a revision cannot exist in a medium different from the work that preceded it, and (ii) plaintiffs argued that even if an electronic revision of a hard copy periodical is a theoretical possibility, the particular systems involved in this litigation are incapable of preserving enough of a collective work to generate such a revision.

For purposes of this motion for reconsideration, plaintiffs do not refute the Court's conclusion that it is at least possible to reproduce or revise a collective work within a medium different than the one in which that work initially appeared.[5] Instead, plaintiffs argue that the Court improperly resolved a factual dispute by determining that the technologies at issue in this case actually succeed at preserving plaintiffs' articles as a part of revised versions of the particular collective works in which those articles first appeared.

A. The Court's Analysis Under Section 201(c)

As a first step in determining whether a recognizable version (*i.e.*, "any revision") of each of the publisher

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5. In reaching this conclusion, the Court detected nothing in the language or history of Section 201(c) supporting the sort of media restriction favored by plaintiffs. *Tasini*, 1997 WL 466520, at *12-17. The Court further reasoned that any such limitation would be inconsistent with the forward looking and media neutral approach characterizing the Copyright Act generally. *Id.* Finally, the Court noted that plaintiffs themselves struggled with the copyright status of microfilm, a nonprint photographic reproduction of newspapers and other periodicals. *Id.* at *12, n. 7.

defendants' periodicals is preserved electronically, the Court sought to identify — within the context of a media neutral statute — the defining characteristics of a collective work. *Tasini*, 1997 WL 466520, at *18-20. Because collective works are a species of compilation, the Court consulted those cases involving copyright infringement claims brought by the creators of other types of compilations, typically factual compilations. *Id.* The Supreme Court has determined, in such cases, that compilations are protected original creations only to the extent that they evince an original selection or arrangement of materials. *See Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 349 (1991). In other words, a compilation — and thus a collective work — gets its unique character not from its individual parts, but from the original manner in which those parts are combined into a collective whole.

Having determined that a distinguishing characteristic of any collective work is its original selection of materials, the Court set out to identify this defining attribute of the disputed periodicals. *Tasini*, 1997 WL 466520, at *20. In a conclusion that plaintiffs do not contest, the Court found that each publisher's selection of articles for inclusion in their collective works reveals significant originality and editorial discretion. *Id.* Drawing upon its earlier conclusion that the broad "any revision" language of Section 201(c) permits even major revisions, the Court reasoned that this original article selection, if preserved in a subsequent creation, would render that creation at least a recognizable version of the hard copy periodical that preceded it.

In some of the same compilation infringement cases that the Court had already consulted, it had been established that,

in order to preserve an original selection of materials, a subsequent creation must incorporate that selection nearly in full. *See, e.g., Kregos v. Associated Press*, 937 F.2d 700, 710 (2d Cir. 1991) (deeming it unlikely that defendant infringed plaintiff's form of baseball pitching statistics by devising a competing form including only 6 of the 9 categories of statistics identified by plaintiff); *cf. Beudin v. Ben & Jerry's Homemade, Inc.*, 95 F.3d 1, 2 (2d Cir. 1996) ("Where the quantum of originality is slight and the resulting copyright 'thin' " — as in the case of a compilation — "infringement will be established only by very close copying . . ."). Importing this principle into the Section 201(c) context, the Court found it significant that the electronic systems carry the publisher defendants' complete selection of articles, and that — once selected for review — those articles are identified according to the periodicals in which they originally appeared. Indeed, largely because it was undisputed that a defining original characteristic of the publisher defendants' periodicals is fully preserved both online and on disc, the Court held that the electronic systems are home to revised versions of the publisher defendants' collective works.[6] *Tasini*, 1997 WL 466520, *21.

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6. The Court's holding did not follow automatically from the fact that the electronic systems preserve a significant original aspect of their hard copy counterparts, but was based also upon the Court's observation that each of the electronic systems could fairly be analogized to a library in which complete issues of hard copy periodicals are made available to researchers interested in locating particular articles of interest. In other words, the electronic systems do not destroy the publishers' collective works; those systems make revisions of those works available — for traditional purposes — in new and advanced ways. *Tasini*, 1997 WL 466520, *23.

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After finding that the NEXIS and the CD-ROM technologies qualified as revised versions of their hard copy predecessors, the Court noted the extent to which certain terms of art employed in the compilation infringement context lend further credence to its conclusions. Specifically, the Court contrasted the "substantial similarity" test employed in compilation infringement cases with the broad "any revision" language of Section 201(c). It would present something of an anomaly, the Court reasoned, if a work could be deemed 'substantially similar' to a particular collective work for some copyright purposes without at least qualifying as "any revision" of that same collective work for other purposes under the Act. *Tasini*, 1997 WL 466520, *22-23. The Court accepted this possibility, however, and emphasized that the electronic systems are substantially similar to their hard copy counterparts, not merely as a technical matter, but in such a way as to preserve the "basic character" of those periodicals.

Finally, the Court acknowledged that its specific holding probably was not contemplated by the framers of Section 201(c). Nevertheless, in enacting a media neutral statute employing a broad "any revision" standard, Congress left open the possibility that publishers might ultimately garner — as they now do — tremendous profits from then nascent technologies. Addressing the possibility that modern developments have thereby undercut the original Congressional purpose of protecting authors, this Court simply did not consider it an appropriate judicial function to rework the language or structure of Section 201(c). *See Tasini*, 1997 WL 466520, *23-24.

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B. Plaintiffs' Alleged Factual Dispute

Purporting to accept the Court's legal framework, at least for purposes of their present motion, plaintiffs contend that there is a disputed question as to whether the electronic reproductions are in fact substantially similar to the defendants' hard copy publications. In support of their argument, plaintiffs identify a litany of ways in which the electronic services are visually unlike their hard copy counterparts. Most notably, and except for General Periodicals OnDisc, those services do not display the photographs, columns and page layout of the hard copy newspapers and periodicals. Moreover, as plaintiffs emphasize, the electronic services contain millions of articles, almost countless more than any particular issue of any one of the disputed publications.

Aside from reiterating matters squarely addressed by the Court in its August 13 Opinion, *Tasini*, 1997 WL 466520, *21-23, plaintiffs' reformulated argument — tied to the Court's discussion of "substantial similarity" — quite simply misses the point. In the case of a collective work, a substantial similarity exists where either an original selection or an original arrangement is copied into a subsequent work. *See, e.g., Key Publications, Inc. v. Chinatown Today Publishing Enterprises, Inc.*, 945 F.2d 509, 514 (2d Cir. 1991) ("If the Galore directory is substantially similar to the 1989-90 Key directory with regard to that arrangement of categories or that selection of businesses, then a finding of infringement can be supported."). Moreover, where it is apparent that an entire original selection of materials has been copied into a subsequent work, that work shares a substantial similarity

with the work that preceded it, even if the subsequent work includes numerous additional materials, as well. *See CCC Information Services, Inc. v. MacLean Hunter Market Reports, Inc.*, 44 F.3d 61 (2d Cir. 1994) (holding that computer data base provider infringed plaintiffs copyright in book of used car valuations by including same selection of vehicles and same price estimates into larger online system), *cert. denied*, 116 S. Ct. 72 (1995); *cf. Harper & Row Publishers v. Nation Enterprises*, 471 U.S. 539, 565 (1985) (" 'no plagiarist can excuse the wrong by showing how much of his work he did not pirate.' ") (quoting *Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49, 56 (2d Cir. 1936)). Thus, where it can be established that an original selection of materials has in fact been copied into another work, it is appropriate for a court considering a motion for summary judgment to determine — as a matter of law — that a substantial similarity exists.[7]

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7. By invoking the "ordinary observer" test commonly employed in infringement cases, plaintiffs ignore the unique considerations operating upon that standard as it applies in the compilation context. In many circumstances, a finding of substantial similarity depends upon whether an ordinary observer would consider two works to have a common aesthetic appeal. *See Knitwaves, Inc. v. Lollytags Ltd.*, 71 F.3d 996, 1002 (2d Cir. 1995). In the case of a compilation, however, this test looks more narrowly to whether "the protectible elements, standing alone, are substantially similar." *Id.* Thus, where an entire original selection of materials is copied, even into a work that plainly would not be mistaken for its predecessor, a finding of substantial similarity is appropriate. In *Lipton*, for instance, the Second Circuit detected a substantial similarity between plaintiff's book of terminology and a scarf adorned with "essentially the same" terms selected by plaintiff for inclusion in his compilation. *Lipton*, 71 F.3d 464, 471. In *CCC*, as here, the Court identified a substantial similarity between a computer data base and a hard copy publication. 44 F.3d 61.

See, e.g., Lipton v. Nature Co., 71 F.3d 464 (2d Cir. 1995); *cf. Rogers v. Koon*, 960 F.2d 301, 307 (2d Cir. 1992) (explaining that, where it is clear that an original element of one work has been copied into another, it is appropriate for a court to determine, at summary judgment, that a substantial similarity exists between the two).

In this case, there can be no dispute, and has been no dispute, with respect to two critical facts. First, the selection of articles included in each of the disputed periodicals constitutes an original and defining characteristic of those periodicals. Second, all of the articles printed in each issue of the disputed hard copy periodicals are made available electronically and, once online or on disc, those articles are displayed with headers identifying the hard copy periodicals in which they originally appeared. (Pl.s' Memo. Supp. Mot. Summ. J. at 21 ("each display . . . contains not only the text of the articles or stories that have been copied, but also . . . the title of the article, the author's name, the origin of the article (publication and date) . . .").) On the basis of these undisputed facts, and as other courts have done in the analogous circumstances of compilation infringement cases, this Court was able to determine — as a matter of law — the extent of the similarity between the different works before it.

By listing the numerous ways in which the electronic reproductions are different from the paper periodicals, and by suggesting that a jury might therefore have found an absence of any substantial similarity, plaintiffs attempt to turn the Court's legal analysis on its head. As explained at length in the August 13 Opinion, a revision is identified on

the basis of what it retains of a prior work and not on the basis of what it loses. *Tasini*, 1997 WL 466520, *21-23. This grows out of the fact that the "any revision" language of Section 201(c) contemplates even major revisions to a collective work. A major revision, by its very nature, will be different in substantial ways from the work that preceded it. So long as a work retains a significant defining characteristic of an earlier work, however, it remains a recognizable version of that work. This is generally enough to qualify a work as "any revision" of a particular collective work for purposes of Section 201(c), and it is enough also to qualify two works as substantially similar for other purposes at copyright law. Thus, because there is no factual dispute as to whether the disputed technologies preserve the complete original selection of articles included in the publisher defendants' periodicals, the Court had ample factual basis — within the legal framework that it employed — to hold in defendants' favor.

Finally, it is worth reiterating that the Court did not, strictly speaking, hold for defendants under Section 201(c) based solely upon its determination that a substantial similarity exists between the hard copy periodicals and their electronic counterparts. It is true that much of the Court's analysis was informed by the compilation infringement cases, which necessarily implicate questions of substantial similarity. More important for the Court's purposes, however, those decisions provide guidance in identifying the distinguishing original characteristics of any particular collective work, an inquiry necessarily critical whenever it is a court's task to compare such a work with a subsequent creation. Having made this inquiry, this Court was able to

determine, as a matter of law, that the disputed systems store revised versions of the publisher defendants' hard copy periodicals.

III. "General Periodicals OnDisc" Abstracts

Plaintiffs finally argue that they had objected that the article abstracts provided as a part of "General Periodicals OnDisc" themselves constitute unauthorized derivative versions of their articles, and that — in a footnote — the Court mistakenly accepted defendants' representation that the issue had never been raised. *Tasini*, 1997 WL 466520, *18, n. 12 (declining to consider "whether the abstracts infringe plaintiffs' copyrights in their individual articles."). This reflects both a misunderstanding as to exactly which issues the Court declined to consider, and a mischaracterization as to exactly which issues plaintiffs had advanced.

Plaintiffs' basic position throughout this litigation has been that the electronic defendants dissemble the publishers' collective works in order to obtain value in plaintiffs' individual articles. This argument had its greatest force in connection with NEXIS and "The New York Times OnDisc," both of which are text based systems which store and display articles individually. Plaintiffs had a considerably more difficult time advancing their position in connection with "General Periodicals OnDisc," an image based system which photographically reproduces complete sections of The New York Times. Indeed, plaintiffs struggled to find some way in which to distinguish this system from microfilm, a photographic reproduction which plaintiffs could not readily

deem impermissible under Section 201(c). (Mot. Recon. at 15-16.) It is in connection with this effort that plaintiffs invoked the article abstracts.

As they recount in their present motion, plaintiffs argued that the article abstracts render General Periodicals OnDisc a "marriage between two data bases." (Memo. Supp. Recon. at 13, 16.) More particularly, plaintiffs reasoned that General Periodicals OnDisc is not a pure image based system, but a hybrid system including a text based component. *Id.* This text based component, plaintiffs argued, operates to dismantle the publishers' collective works by permitting users to identify and to access individual articles appearing within the system. In short, plaintiffs maintained that the abstracts render General Periodicals OnDisc more akin to NEXIS and The New York Times OnDisc than to microfilm. (Memo. Supp. Recon. at 18.)

Because the Court found that even NEXIS and The New York Times OnDisc qualify as a permissible revisions, plaintiffs' efforts at finding a text based component to General Periodicals OnDisc amounted to an exercise in futility. Whether conceived as a text based or image based or hybrid system, General Periodicals OnDisc — like NEXIS and The New York Times OnDisc — preserves enough of each disputed periodical (*i.e.*, the publisher defendants' original selection of articles) to qualify under the "any revision" language of Section 201(c). In whatever way plaintiffs' articles are accessed and displayed, they are preserved within the disputed systems as part of revised versions of the periodicals in which they initially appeared. Having reached this conclusion, the Court did not overlook

plaintiffs' argument that General Periodicals OnDisc is not a true image based system; the Court simply considered that argument inconsequential.

In expressly declining to address the possibility that the individual article abstracts infringed plaintiffs' rights in their articles, the Court was responding to a concern unrelated to the "part-text/part-image based" argument that plaintiffs had actually raised in their pleadings. This concern grew out of the Court's determination that Section 201(c) broadly permits revisions of collective works but only narrowly allows for reproductions of individual articles. *Tasini*, 1997 WL 466520, at *16. In light of this, the Court raised the possibility that the article abstracts — depending upon their content — might constitute unauthorized derivative versions of each article, instead of something akin to a simple index useful for retrieving the full text of those articles from within the system. It is this narrow concern — a concern which plaintiffs never raised — which the Court declined to consider in its August 13 Opinion. Moreover, plaintiffs never presented the Court with excerpts from the potentially infringing abstracts. Even if it had been their intention to argue that those abstracts constitute unauthorized derivative versions of the corresponding articles, plaintiffs thereby failed to make out a prima facie case of infringement. *See Eckes v. Card Prices Update*, 736 F.2d 859, 861 (2d Cir. 1984) (explaining that it is the burden of any plaintiff claiming copyright infringement to prove that an allegedly infringing work copies protected elements of the copyright holder's protected work).

Appendix D

CONCLUSION

For the reasons set forth above, plaintiffs motion for reconsideration is DENIED.

SO ORDERED.

Dated: New York, New York
October 29, 1997

s/ Sonia Sotomayor
Sonia Sotomayor
U.S.D.J.

APPENDIX E — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT DENYING PETITION FOR REHEARING DATED AND FILED APRIL 6, 2000

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT
UNITED STATES COURT HOUSE
40 FOLEY SQUARE
NEW YORK 10007

ROSEANN B. MACKECHNIE
CLERK

At a stated term of the United States Court of Appeals for the Second Circuit, held at the United States Courthouse, Foley Square, in the City of New York, on the 6th day of April two thousand.

Dkt No: 97-9181

Tasini

Plaintiff-Appellant

v

The New York Times

Defendant-Appellee

A petition for panel rehearing and a petition for rehearing en banc having been filed herein by the appellee The New York Times.

Appendix E

Upon consideration by the panel that decided the appeal, it is Ordered that said petition for rehearing is **DENIED.**

It is further noted that the petition for rehearing en banc has been transmitted to the judges for the court in regular active service and to any other judge that heard the appeal and that no such judge has requested that a vote be taken thereon.

FOR THE COURT

ROSEANN B. MACKECHNIE,
Clerk

By: s/ Beth J. Meador
Beth J. Meador,
Administrative Attorney

APPENDIX F — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT GRANTING MOTION FOR STAY OF MANDATE DATED AND FILED APRIL 26, 2000

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

* * *

Docket Number
97-9181

JONATHAN TASINI, et al.,

Plaintiffs-Appellants,

– vs –

THE NEW YORK TIMES, et al.,

Defendants-Appellees.

MOTION INFORMATION FORM

Motion for stay of mandate pending
filing of writ of certiorari

MOTION BY: *(Name, address and tel. no. of law firm and of attorney in charge of case)*

Bruce P. Keller, Esq.
Debevoise and Plimpton
875 3rd Ave.
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212-909-6000

Appendix F

OPPOSING COUNSEL: *(Name, address and tel. no. of law firm and of attorney in charge of case)*

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212-297-3383

Has consent of opposing counsel:

A. been sought? ☐ Yes ☒ No
B. been obtained? ☐ Yes ☒ No

Has service been effected? ☒ Yes ☐ No

Is oral argument desired? ☐ Yes ☒ No

* * *

Brief statement of the relief requested:

Stay of this Court's mandate pending filing of petition for writ of certiorari with the U.S. Supreme Court.

Appendix F

s/ Bruce P. Keller
By: *(Signature of Attorney)*
Signed name must be printed beneath.
Bruce P. Keller

The New York Times Co., Inc., Newsday, Inc.,
Time Inc., Mead Data Central Corp. and
University Microfilms
Appearing for: *(Name of Party)*

Appellee or Respondent: ☐ Plaintiff ☒ Defendant

ORDER

BEFORE: HON. RALPH K. WINTER, Chief Judge, HON. ROGER J. MINER, HON. ROSEMARY S. POOLER, C.JJ

IT IS HEREBY ORDERED that the motion for stay of mandate be and it hereby is GRANTED.

FOR THE COURT
ROSEANN B. MACKECHNIE,
Clerk
by

s/ Beth J. Meador
Beth J. Meador
Administrative Attorney

APPENDIX G — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT GRANTING MOTION FOR EXTENSION OF STAY OF MANDATE PENDING FILING OF WRIT OF CERTIORARI DATED AND FILED JULY 24, 2000

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Docket Number 97-9181

JONATHAN TASINI, et al.,

Plaintiffs-Appellants,

vs

THE NEW YORK TIMES, et al.,

Defendants-Appellees.

MOTION INFORMATION FORM

Motion for stay of mandate pending
filing of writ of certiorari

MOTION BY:
(Name, address and tel. no. of law firm and of attorney in charge of case)

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212-297-3385

Has consent of opposing counsel:

A. been sought? ☐ Yes ☒ No
B. been obtained? ☐ Yes ☒ No

Has service been effected? ☒ Yes ☐ No

Is oral argument desired? ☐ Yes ☒ No

* * *

Brief statement of the relief requested:

Thirty day extension of the stay of this Court's mandate pending filing of petition for writ of certiorari with the U.S. Supreme Court.

Appendix G

s/ Bruce P. Keller
By: *(Signature of Attorney)*
Signed name must be printed beneath.
Bruce P. Keller

The New York Times Co., Inc., Newsday, Inc.
Time Inc., Mead Data Central Corp. and
University Microfilm
Appearing for: *(Name of Party)*

Appellee or Respondent: ☐ Plaintiff ☒ Defendant

Date: June 30, 2000

– ORDER –

BEFORE: Hon. Ralph K. Winter, Chief Judge, Hon. Roger J. Miner, Hon. Rosemary S. Pooler, Circuit Judges

IT IS HEREBY ORDERED that the motion be GRANTED.

FOR THE COURT:
ROSEANN B. MacKECHNIE,
Clerk
By:

s/ Beth J. Meador
Beth J. Meador,
Administrative Attorney

APPENDIX H — SELECTED PROVISIONS OF THE COPYRIGHT ACT OF 1976

17 U.S.C. § 201(c)

§ 201. Ownership of copyright

* * *

(c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

* * *

17 U.S.C. § 101

§ 101. Definitions

Except as otherwise provided in this title, as used in this title, the following terms and their variant forms mean the following:

> An "anonymous work" is a work on the copies or phonorecords of which no natural person is identified as author.

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An "architectural work" is the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings. The work includes the overall form as well as the arrangement and composition of spaces and elements in the design, but does not include individual standard features.

"Audiovisual works" are works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

The "Berne Convention" is the Convention for the Protection of Literary and Artistic Works, signed at Berne, Switzerland, on September 9, 1886, and all acts, protocols, and revisions thereto.

The "best edition" of a work is the edition, published in the United States at any time before the date of deposit, that the Library of Congress determines to be most suitable for its purposes.

A person's "children" are that person's immediate offspring, whether legitimate or not, and any children legally adopted by that person.

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number

of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

"Copyright owner", with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

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A "derivative work" is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a "derivative work".

A "device", "machine", or "process" is one now known or later developed.

A "digital transmission" is a transmission in whole or in part in a digital or other non-analog format.

To "display" a work means to show a copy of it, either directly or by means of a film, slide, television image, or any other device or process or, in the case of a motion picture or other audiovisual work, to show individual images nonsequentially.

An "establishment" is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

Appendix H

A "food service or drinking establishment" is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

The term "financial gain" includes receipt, or expectation of receipt, of anything of value, including the receipt of other copyrighted works.

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

The "Geneva Phonograms Convention" is the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, concluded at Geneva, Switzerland, on October 29, 1971.

The "gross square feet of space" of an establishment means the entire interior space of that establishment,

and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.

The terms "including" and "such as" are illustrative and not limitative.

An "international agreement" is —

(1) the Universal Copyright Convention;

(2) the Geneva Phonograms Convention;

(3) the Berne Convention;

(4) the WTO Agreement;

(5) the WIPO Copyright Treaty;

(6) the WIPO Performances and Phonograms Treaty; and

(7) any other copyright treaty to which the United States is a party.

A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

"Literary works" are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the

nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.

"Motion pictures" are audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

To "perform" a work means to recite, render, play, dance, or act it, either directly or by means of any device or process or, in the case of a motion picture or other audiovisual work, to show its images in any sequence or to make the sounds accompanying it audible.

A "performing rights society" is an association, corporation, or other entity that licenses the public performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.

"Phonorecords" are material objects in which sounds, other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "phonorecords" includes the material object in which the sounds are first fixed.

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"Pictorial, graphic, and sculptural works" include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned; the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

For purposes of section 513, a "proprietor" is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment or a food service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.

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A "pseudonymous work" is a work on the copies or phonorecords of which the author is identified under a fictitious name.

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.

"Registration", for purposes of sections 205(c)(2), 405, 406, 410(d), 411, 412, and 506(e), means a registration of a claim in the original or the renewed and extended term of copyright.

To perform or display a work "publicly" means —

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable

of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.

"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied.

"State" includes the District of Columbia and the Commonwealth of Puerto Rico, and any territories to which this title is made applicable by an Act of Congress.

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

A "transmission program" is a body of material that, as an aggregate, has been produced for the sole purpose of transmission to the public in sequence and as a unit.

To "transmit" a performance or display is to communicate it by any device or process whereby

images or sounds are received beyond the place from which they are sent.

A "treaty party" is a country or intergovernmental organization other than the United States that is a party to an international agreement.

The "United States", when used in a geographical sense, comprises the several States, the District of Columbia and the Commonwealth of Puerto Rico, and the organized territories under the jurisdiction of the United States Government.

For purposes of section 411, a work is a "United States work" only if —

(1) in the case of a published work, the work is first published —

(A) in the United States;

(B) simultaneously in the United States and another treaty party or parties, whose law grants a term of copyright protection that is the same as or longer than the term provided in the United States;

(C) simultaneously in the United States and a foreign nation that is not a treaty party; or

(D) in a foreign nation that is not a treaty party, and all of the authors of the work are nationals, domiciliaries, or habitual residents of, or in the case of an audiovisual work legal entities with headquarters in, the United States;

(2) in the case of an unpublished work, all the authors of the work are nationals, domiciliaries, or habitual residents of the United States, or, in the case of an unpublished audiovisual work, all the authors are legal entities with headquarters in, the United States; or

(3) in the case of a pictorial, graphic, or sculptural work incorporated in a building or structure, the building or structure is located in the United States.

A "useful article" is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article that is normally a part of a useful article is considered a "useful article".

The author's "widow" or "widower" is the author's surviving spouse under the law of the author's domicile at the time of his or her death, whether or not the spouse has later remarried.

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No. 00-201

IN THE
Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.;
THE TIME INCORPORATED MAGAZINE COMPANY;
LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY;
BARBARA GARSON; MARGOT MIFFLIN;
SONIA JAFFE ROBBINS and DAVID S. WHITFORD,
Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals For the Second Circuit

BRIEF IN OPPOSITION FOR RESPONDENTS TASINI, BLAKELY, MIFFLIN AND WHITFORD

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BRIEF IN OPPOSITION FOR RESPONDENTS TASINI, BLAKELY, MIFFLIN AND WHITFORD

Respondents Jonathan Tasini, Mary Kay Blakely, Margot Mifflin and David Whitford, represented by Patricia A. Felch as Counsel of Record before this Court, submit the following Brief in Opposition. Respondents Barbara Garson and Sonia Jaffe Robbins are separately represented and, we understand, will be submitting a separate Brief in Opposition.

STATEMENT OF THE CASE

Respondents are six freelance authors ("Authors") who write articles for a variety of periodicals. Between 1990 and 1993, Authors wrote 22 features, book reviews and news articles ("Articles"), on a freelance basis, and submitted those

Articles for first publication in the periodicals published by certain respondents. Those publishers then re-licensed Authors' Articles for electronic duplication in certain on-line and CD-ROM services ("Databases"). Thus, Petitioners fall into two categories: (1) three publishers of the periodicals in which the Authors' Articles were first published ("Publishers"); and (2) two producers of electronic databases in which certain material originally appearing in those periodicals, including Authors' Articles, is electronically reproduced ("Database Producers").

Authors registered their own copyrights in each of the Articles. (Pet. App. 3a)

The periodicals at issue contain individually-copyrighted works, such as those written by the Authors, as well as materials written, photographed or otherwise created by Publishers' employees on a "work-made-for-hire" basis. The periodicals thus constitute "collective works" under 17 U.S.C. § 101.

The contractual practices of the Publishers and freelance Authors in this case were mixed. In some cases, Publishers failed to negotiate or obtain from Authors any express transfers of copyright or licenses to re-publish submitted Articles. In these situations, as the Second Circuit found, the Authors and Publishers would "negotiate due-dates, word counts, subject matter and price; no express transfer of rights under the Authors' copyright was sought." (Pet. App. 3a) In the case of one respondent, an express licensing agreement was negotiated. That agreement granted the publisher the "right first to publish the Story in the Magazine," and the "right to license the republication of the Story . . . provided that the Magazine shall pay to [him] fifty percent [] of all net proceeds it receives for such republication." (Pet. App. 18a). Other respondent Publishers imposed legends in the endorsement spaces of checks issued to Authors in payment for first publication of their Articles. Publishers argued below that those Authors who signed the legends thereby

expressly transferred the Author's copyrights to Publishers. (Pet. App. 3a n.1) Finally, since this litigation was filed, at least one respondent has adopted the practice of requiring freelance writers to "execute an express transfer of copyrights." *Id.*

Petitioner Publishers provided copies of respondent Authors' Articles, in exchange for cash, to a variety of other parties, including the petitioner Database Producers. Petitioner Database Producers are in the business of selling that material to the public.

In order to prepare the material for transmission to the Databases, Publishers begin with an individual issue of their periodical. In the case of petitioners New York Times and Mead, that individual issue is then:

> stripped, electronically, into separate files representing individual articles. In the process, a substantial portion of what appears in that particular issue of the periodical is not made part of the file transmitted to Mead, including, among other things, formatting decisions, pictures, maps and tables, and obituaries. Moreover, although the individual articles are 'tagged' with data indicating the section and page on which the article initially appeared, certain information relating to the initial page layout is lost, such as placement above or below the fold. . . (Pet. App. 4a)[1]

The Publishers thus did not merely sell "electronic copies" of particular issues of their periodicals, as repeatedly claimed by petitioners. Instead, the Publishers sold the Articles

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[1] The other petitioner Database Producer, University Microfilms International (UMI), operated pursuant to agreements with the New York Times and Mead and sold CD-ROMs containing these "stripped" files. In the case of some ancillary publications, such as the New York Times Sunday Magazine and Book Review, UMI also received and re-sold "image based" files accessible only through text-based indexes provided in CD-ROMs separate from the "image based" files.

originally written by respondent Authors, divorced from the contextual material that originally appeared in the periodical.

The Second Circuit, in a decision written by Chief Judge Winter, and joined by Judges Miner and Pooler, addressed each of the different contractual arrangements at issue between the Publishers and the Authors and reached the following conclusions:

(a) With respect to those arrangements in which no written contract applied, the Second Circuit found that the "gist of the Authors' claim is that the copyright each owns in his or her individual articles was infringed when the Publishers provided [those articles] to the electronic databases." (Pet. App. 5a). In those circumstances, petitioners argued "that the Publishers own the copyright in the 'collective works' that they produce and are afforded the privilege, under Section 201(c) of the [Copyright] Act of 'reproducing and distributing' the individual works in 'any revision of that collective work.' 17 U.S.C. § 201(c)." (Pet App. 5a)

After reviewing the language of Section 201(c) and related provisions of the Copyright Act, the Second Circuit held that the presumed "privilege" set out in Section 201(c) for publishers of "collective works" to distribute "revision[s]" of those collective works did not permit the Publishers to take the Articles at issue here, strip them of their contextual information, and re-sell those Articles to Database Producers.[2]

(b) In the case of the written licensing agreement at issue between respondent Whitford and petitioner Time, Inc. ("Time"), the Second Circuit held that the "first publication" rights described in that agreement did not authorize the Publisher there to re-license the Articles at issue to the Database Producers. That agreement also provided for

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[2] Petitioners had originally pled "fair use" as an affirmative defense, but did not press that argument in either the district court or the Second Circuit.

certain payments to be made to the Author by Time if Time "license[d] the republication of Story" (Pet. App. 18a) Because Time did not make the payments called for in that portion of the agreement, it did not argue below that its conduct was permitted by that provision of the contract. (Pet. App. 20a n. 5)

(c) In the case of the check legends, the Second Circuit noted that the Publishers which had adopted that practice did not appeal the district court's finding that such legends were insufficient to constitute an "express transfer" of the copyright. The Second Circuit also noted that it "substantially agree[d]" with the analysis of the district court in that regard. (Pet. App. 3a n.1)

Thus, the Second Circuit held that none of the contracts between the Publishers and the Authors effectively granted the Publishers the right to re-license the Articles at issue to the Database Producers. The court also held that the Publishers' re-licensing of the Authors' Articles was not within the presumed "privilege" spelled out in Section 201(c).

Based on these findings, the Second Circuit remanded the case to the district court with instructions to enter judgment for the Authors on these issues. (Pet. App. 22a) The Second Circuit did not discuss the issue of appropriate damage relief. Instead, the district court on remand will presumably make a determination regarding what, if any, damages or other relief should be ordered.[3]

Following denial of petitioners' Motion for Rehearing En Banc, the Panel granted petitioners' motion to stay the mandate, and thereby delayed the remand to the district court.

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[3] Petitioners indicated in their motion to stay the mandate that they would also be presenting a variety of additional affirmative defenses once the matter returns to district court. It therefore appears to be petitioners' position that no damages or other relief should be ordered by the district court at all. Of course, the results of petitioners' efforts in that regard remain to be seen.

Counsel for two of the respondent Authors also urged that the mandate be stayed, in order to avoid having to litigate on two fronts simultaneously.

REASONS FOR DENYING THE WRIT

The blizzard of arguments offered by petitioners obscures three important points.

First, Chief Judge Winter's carefully-reasoned opinion for the Second Circuit is nothing more than a garden-variety exercise in statutory and contract construction, on an issue which has not been addressed by any other federal appellate court. Given the lack of conflict in the circuits on this issue, there is simply no reason for this Court to review the Second Circuit's construction of the contracts or statutory provisions at issue here.

Second, the Second Circuit remanded the case to the district court for further proceedings. No remedial orders have been issued, and the issue of remedies has not yet even been raised or briefed in the district court. Thus, petitioners' statement that the "Second Circuit's decision ... forces the destruction of large volumes of constitutionally protected material," Pet. 17, is entirely inaccurate. In fact, petitioners made clear in their motion to stay the mandate that they will be arguing a variety of additional affirmative defenses at the district court on remand, apparently in support of their position that no damages or other relief should be ordered at all. Of course, those issues, as well as respondent Authors' claims for damages, have not yet been briefed in—let alone decided by—the district court. And when they are, they will be subject to the normal appeal processes. There is no reason for this court to intervene at this stage in the proceedings based on petitioners' predictions regarding remedial issues that have been neither raised nor addressed in the district court.

Finally, even assuming that the district court eventually awards some form of damages to the six freelance authors here, and even assuming that petitioners and other publishers seek to avoid the imposition of damages on similar theories in future situations, the resulting scenario would not require the wholesale destruction of historical records predicted by petitioners. Instead, the only consequence of that scenario would be to encourage publishers to obtain express permission to re-license material obtained on a freelance basis before engaging in re-licensing of that material. As the variety of contractual arrangements reviewed in this case shows, publishers and authors are perfectly well equipped to reach agreement on a range of issues, including re-licensing.

We discuss each of these points, and respond to petitioners' other arguments, below.

1. A. There is no disagreement among the federal appellate courts on the contractual or statutory issues decided below. Indeed, other than the present case, not a single court of appeals has addressed either the contractual or statutory interpretation issues decided by the Second Circuit here. And the two district court decisions touching on these issues are entirely consistent with the decision of the Second Circuit here.[4]

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[4] In one decision, which even petitioners acknowledge is consistent with the Second Circuit's decision here, a district court for the northern district of California held that the 201(c) privilege did not permit a publisher to sell photocopies of articles that had originally appeared in "collective works" of the publisher, in the absence of the consent of the authors of those articles. *Ryan v. Carl Corp.*, 23 F. Supp. 2d 1146 (N.D. Cal. 1998). That decision—like the decision here—holds that the sale of individual articles (even if done in connection with the sale of other articles appearing in the same "collective work") is not a permitted "revision" of the collective work.

In another, unpublished, decision from the southern district of Florida, *Greenberg v. National Geographic Society*, No. 97-3924-civ, 1998 U.S. Dist. LEXIS 18060 (S.D. Fla. May 14, 1998), the district court held that

B. Faced with this lack of conflict in the lower courts, petitioners advance two rather remarkable arguments.

First, petitioners argue that this Court's standard for grants of certiorari has been relaxed in the context of copyright matters. (Pet. 10-11) In support of this position, petitioners cite five intellectual property decisions of this Court. (Pet. 10 n. 5) Of course, not a single word in those decisions indicates that the standard for certiorari grants in copyright cases is any different than that in any other type of case.

Second, petitioners repeatedly claim that the Second Circuit's decision to stay the mandate in this case somehow implies that the judges of that circuit concluded that the case was worthy of review on certiorari. (Pet. 8-9, 15-16) After the Second Circuit denied petitioners' motion for en banc consideration of the Panel's decision, the Panel ruled on petitioners' Motion to Stay the Mandate, thus granting a delay in the remand of the matter to the district court for what could be a lengthy trial on damage issues. Counsel for two of the respondents Authors, in fact, joined petitioners in urging that stay, in order to avoid having to litigate the same case on two fronts simultaneously. The Second Circuit's single-sentence decision granting the stay of the mandate—urged by the Publishers and consented to by two of the Authors—says nothing at all about the matter being worthy of certiorari. (Pet. App. 110a)

C. The petition for certiorari is largely devoted to petitioners' attempt to re-argue the merits of the decision below. In so doing, petitioners torture the analysis of Chief Judge Winter beyond all recognition. As we now show, the

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the privilege set out in Section 201(c) permitted the National Geographic magazine to distribute electronic versions of that periodical. That holding was based on both (1) that court's finding that the electronic versions contained an "exact image of each page as it appeared in the Magazine," and (2) that court's reliance on the district court opinion in the instant case, which the Second Circuit has now reversed and remanded. That decision is pending on appeal at the 11th Circuit.

Second Circuit's analysis was entirely straight-forward and exhibits none of the infirmities attributed to it by petitioners.

There is no dispute regarding the basic statutory framework. Thus, in the case of "collective works" such as the Publishers' periodicals, the "[c]opyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution." 17 U.S.C. § 201(c). Moreover, "[t]he rights of the author of a collective work are limited to 'the material contributed by the [collective-work] author'." (Pet. App. 9a, quoting 17 U.S.C. § 103(b)). Finally, it is beyond dispute that the rights of publishers of collective works, i.e., periodicals, do not extend to the "preexisting material," i.e. the original articles. 17 U.S.C. § 103(b).

Given that background, it is undisputed that the publisher of a collective work such as the periodicals at issue here may obtain the right to re-license or re-sell freelance contributions only in one of two ways: by an express transfer of that right from the author, or by operation of the presumed "privilege" set out in Section 201(c). Thus, Section 201(c) provides:

> [i]n the absence of an express transfer of the copyright or of any rights under it, the owner of the copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

With that much as common ground, the Second Circuit examined the contract between petitioner Time and respondent Whitford, under which Time obtained the right "first to publish the Story in the Magazine." (Pet. App. 18a) The Second Circuit concluded that those provisions did not constitute an "express transfer of the copyright" permitting the re-licensing of Whitford's Article to the Database Producers. (Pet. App. 20a) Petitioners do not appear to

quarrel with that holding.[5] Nor do Petitioners appear to quarrel with the Second Circuit's disposition of the issue regarding the "legends" that petitioner Newsday affixed to the checks. As the Second Circuit noted, Newsday did not appeal from the district court's decision that those legends did not constitute an express transfer of copyright. (Pet. App. 3 n. 1)

The petition thus appears limited to those petitioners and respondents who "negotiate[d] due-dates, word counts, subject matter and price" but who failed to come to any understanding about republication rights. For this group, the Second Circuit summarized the dispute as follows:

> The gist of the Authors' claim is that the copyright each owns in his or her own individual articles was infringed when the Publishers provided them to the electronic databases. Appellees do not dispute that the Authors own the copyright in their individual works. Rather, they argue that the Publishers own the copyright in the 'collective works' that they produce and are afforded the privilege, under Section 201(c) of the Act, of 'reproducing and distributing' the individual works in 'any revision of that collective work.' 17 U.S.C. § 201(c). The crux of the dispute is, therefore, whether one or more of the pertinent electronic databases may be considered a 'revision' of the individual periodical issues from which the articles were taken. (Pet. App. 5)

The Second Circuit proceeded to apply traditional tools of statutory interpretation to reject the Publishers' argument that their re-sale of the original Articles to the Database Producers was a privileged "distribut[ion] [of] the contribution as part of . . . any revision of that collective work." 17 U.S.C. § 201(c).

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[5] Another provision of the contract between Time and Whitford permitted Time to "license the Story for republication" if Time paid Whitford "50 percent [] of all net proceeds it receives for such republication." (Pet. App. 18a) Petitioners do not attempt to invoke that portion of the contract because Time did not make the payments called for there.

There is nothing remarkable about the Second Circuit's analysis in this regard. In fact petitioners do not directly attack the Second Circuit's statutory analysis although it is entirely dispositive of their claims.

D. Petitioners' attempts to re-argue the merits of the case consist of their claim that the Second Circuit's decision "conflicts with two important principles of copyright law," namely that "third party conduct is irrelevant to a direct infringement claim," and that "'mechanical' reproduction of a work (as opposed to one adding some element of 'originality') cannot create a new, copyrightable work." (Pet. 18, 9) Both of those arguments are entirely inapposite.

The Second Circuit's decision, of course, was not based on "third party conduct." As just described, the Second Circuit found that Publishers who hold the copyright in a "collective work" were not privileged to re-sell the original articles to the Database Producers. No third party conduct is involved in that analysis at all. In fact, the only reference to "third party conduct" in the Second Circuit's decision is a passing reference to the inability of database users to reconstruct any semblance of the original collective work, used to demonstrate that the re-sale by the Publishers involved the "preexisting material" (in which the Authors hold a copyright) as opposed to the "collective work" (in which the Publishers hold a copyright as to the coordination, format and layout) (Pet. App. 15a-16a)

Petitioners thus mischaracterize the Second Circuit's decision when they claim that the Second Circuit held that "direct infringement liability may be imposed based solely on the ability of end users to cherry pick" the articles in question. (Pet. 23) As the Second Circuit's decision makes clear, it is not the conduct of the end-user which is at issue. Instead, the issue decided by the Second Circuit was whether the Publishers' re-sale of the original articles to the databases was a permitted distribution of a "revision" of a particular issue of the periodical in which the original article first appeared.

To support their claim in this regard, petitioners repeatedly characterize the material sold to the Database Producers as "electronic copies" of particular issues of the periodicals containing the original articles. (*See*, Pet. 2, 4, 6, 7, 18-22, 26-27) As described by the Second Circuit, in contrast, the material sold by the Publishers to the Database Producers consisted, in most instances, of the individual, original articles stripped of everything else contained in the "collective work."

The second "conflict" urged by petitioners is equally fanciful. Petitioners claim that the Second Circuit found that the Databases constituted "new works" which themselves could be copyrighted, and that this holding conflicts with the principle that "mechanical reproduction" of existing works does not create "new works." (Pet. 26)

Again, petitioners are simply incorrect in characterizing the Databases as "mechanical" or "electronic" copies of the original issues of the periodicals at issue. (Pet. 26-27) Petitioners are also incorrect in characterizing the Second Circuit as holding that the "coding, searchability and digitization" of the "electronic copies" were the factors that resulted in the databases being "new works," as opposed to permitted "revisions" of the original collective works. (Pet. 27) As the Second Circuit found, virtually all of the material in which the Publishers hold a copyrightable interest in the original collective works, e.g., the arrangement of the articles within the original collective work, and the formatting and design of the periodicals, is stripped away before the Publishers sell the original articles to the Database Producers. This factual finding—crucial to the Second Circuit's decision—is entirely ignored by petitioners.

Another persistent theme in the petition is that the Second Circuit's decision is worthy of review because it somehow is premised on an "artificial approach to paper versus electronic copies" and a holding that electronic transmission is different than "hard copy" transmission. (Pet. 20.) With this device,

petitioners seek to portray this case as one involving an "emerging technology" in which the Second Circuit failed to apply the provisions of the Copyright Act in a "media neutral" manner.

Of course, the Second Circuit's decision is entirely "media neutral." The Second Circuit did not hold that "electronic copies" of periodicals are to be treated differently from "paper copies." In fact, precisely the opposite is the case. As the Second Circuit stated:

> Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS. (Pet. App. 13a)

2. Given the lack of conflict in the lower courts, as well as the strength and clarity of the Second Circuit's contractual and statutory analysis, petitioners are forced to resort to colorful predictions of evils that—according to petitioners—will occur if the decision below is allowed to stand.

To take only a few examples, petitioners claim that the decision below will result in "wholesale destruction of CD-ROMs," (Pet. 2); prohibit "historians, students, scholars, and others [from] enjoy[ing] ready access to the complete historical record of the nation's periodicals," (Pet. 14); result in "disast[er] for the nation's libraries, academic institutions and publishers," (Pet. 14); require "massive destruction of constitutionally protected information," (Pet. 17); and, finally, "leave[] no choice other than to take irreversible, information-destroying steps," (Pet. 17).

Petitioners' concerns are, to say the least, overstated. The Second Circuit's decision does not mandate the destruction of any information. In fact, the decision below contains not a hint about the scope of an appropriate remedial order. Rather,

the issue of remedies for the infringement of the 22 articles by the six authors involved in this litigation is left entirely to the district court.

Thus, petitioners' speculation about the impact of the eventual remedial order in this case is just that—speculation. The issue of an appropriate remedy for the 22 infringements at issue in this case has not even been briefed in—let alone decided by—the district court. In fact, petitioners have indicated that they will be presenting a variety of additional affirmative defenses to the district court, presumably in support of a position that no remedy at all should be ordered. Until the district court makes additional factual inquiry, and reviews the arguments of the parties, it is premature to speculate about the potential impact of any set of remedies that may be ordered in the future by the district court. And, of course, once the district court reviews the additional factual and legal material presented by the parties on remand and makes a determination as to what, if any, damage relief is appropriate, either party will have the right to pursue the normal appellate steps.

3. Finally, petitioners' dire—and premature—predictions regarding possible consequences of the Second Circuit's decision are entirely inaccurate. Those predictions ignore the salutary—and far more likely—result of the Second Circuit's decision: encouraging publishers and authors to enter into agreements making clear the scope of the rights transferred to the publisher.

As the Second Circuit stated:

> Publishers and authors are free to contract around the statutory framework. Indeed, both the Publishers and Mead were aware of the fact that Section 201(c) might not protect their licensing agreements, and at least one of the Publishers has already instituted a policy of expressly contracting for electronic re-licensing rights. (Pet. App. 17a)

In response to this observation, petitioners claim only that there would be "logistical difficulties" in obtaining the consent of the authors as required by the Copyright Act. (Pet. 16) Of course, such a claim has a hollow ring, since it is essentially a claim that the sheer volume of the prior violations makes future compliance difficult.[6]

Petitioners' concerns about the inability of freelance authors and publishers to come to a contractual understanding on this issue are misplaced. This case alone shows that a variety of contractual arrangements are already in place between authors and publishers. In addition, as the Second Circuit noted, at least one of the respondent Publishers has already adopted the practice of requiring freelance writers to "execute an express transfer of copyrights" so as to allow the practice at issue here. (Pet. App. 3a n. 1)

In short, the Second Circuit's decision does not mandate the destruction of a single bit of information, and there is no reason to believe that the conduct of private contracting parties such as authors and publishers will have that effect.

---

[6] Petitioners also incorrectly claim that "the organization led by respondent Tasini (the National Writers Union) has rejected the contractual solution in favor of class action litigation." (Pet. 16) The National Writers Union, in fact, has established an organization called the Publication Rights Clearinghouse, based on the ASCAP/BMI model, for the very purpose of *facilitating* a "contractual solution" by allowing publishers to purchase rights to re-publish and re-license articles of the sort at issue here. The class action suit in Boston to which petitioners refer, Pet. 16, involves an effort by the Boston Globe to obtain blanket retroactive re-publication permission—as a condition of any future work—without providing additional compensation. Of course, a failure to embrace the particular terms offered by the Globe does not imply rejection of any contractual solution, much less a desire to support "massive destruction of constitutionally protected information." (Pet. 17)

CONCLUSION

For the reasons stated above, the Petition for Writ of *Certiorari* filed by Petitioners should be denied.

Respectfully submitted,

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No. 00-201

In the

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

vs.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

Were the Court to grant certiorari in this matter, the case would present three questions:

1. Whether the privilege afforded newspaper and magazine publishers in § 201(c) to enable them to construct their "collective works" thereafter affords anyone — and, if so, who — the privilege of *de*constructing those collective works and individually exploiting their freelance components?

2. Whether it affords anyone the privilege of taking a contribution that originally appeared as part of *one* publication and reproducing it and making it available either as a standalone unit or in combination with articles from other publications or periodical issues?

3. Whether an electronic database that contains millions or billions of articles from tens of thousands of different publications or from different issues of a publication constitutes a "revision" within the meaning of § 201(c) of each of the periodical issues from which an article or articles have been taken?

At this juncture in the case, there is only one question presented:

Whether it is appropriate for this Court to review, prior to entry of judgment and a hearing or determination on damages, a case of first impression resolved by a routine exercise in statutory construction?

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STATUTORY PROVISIONS INVOLVED

Petitioners do not quote either of the two sections of the Copyright Act that are at the heart of this case — §§ 201(c) and 103(b) — in the body of their brief.[1] Section 201(c) is found at page 114a of their Appendix.[2] Section 103(b) is ignored altogether.

Section 201(c) reads as follows:

§ 201. Ownership of Copyright

(c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.[3]

* * *

The term "collective work" is elsewhere defined as meaning "a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." (115a-116a).

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1 This opposition is submitted on behalf of respondents Garson and Robbins. Other respondents are submitting a separate brief through their counsel, Patricia A. Felch, Esq. The original Opinion was issued on September 24, 1999; the Opinion was amended on February 25, 2000; and petitioners' request for rehearing with a suggestion of rehearing en banc was denied on April 6, 2000.

2 References to pages of petitioners' Appendices will be indicated (__a).

3 Petitioners invoked the "second" or middle of the three branches of the § 201(c) privilege.

Section 103(b) is quoted in the Second Circuit Opinion at 8a.

STATEMENT OF THE CASE

In an effort to make it appear as though this case presents issues on which there is a conflict of authority, defendants have misrepresented the facts of the case, respondents' positions in the case, and the findings of the two courts below.[4]

The relevant facts may be summarized as follows:

1. There were two sets of defendants in the case: the print-publisher defendants and database defendants. The print publisher-defendants included The New York Times, Newsday and Time Inc. The database defendants included LEXIS-NEXIS and University Microfilms Inc. (or the UMI Company). None of the defendants is a manufacturer or retailer of computers or any other staple article of commerce.

2. Plaintiffs were six freelance authors who contributed articles to one or more of the print publishers' publications.

3. Plaintiffs claimed that defendants infringed their copyrights by taking articles that they had written for inclusion in issues of two newspapers and one magazine[5] and, without their permission, incorporating them into one or another of three databases. The databases included the NEXIS on-line database (hereinafter referred to as "NEXIS") and two UMI CD-ROM's (hereinafter referred to as the "New York Times OnDisc" CD-ROM or "NYTO," and "General Periodicals On-Disc" CD-ROM or "GPO"). The articles that are the subject of

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4 For example, petitioners have asserted repeatedly throughout their brief that the District Court found as a matter of fact that the databases actually contained intact "electronic copies" of their collective works. The District Court did not so find. In the case of the NEXIS and NYTO databases, it found the opposite. (See, e.g., 102a: ". . . NEXIS and "The New York Times OnDisc," . . . are text based systems which store and display articles individually.") It then went on to conclude, however — as a matter of law — that the databases nonetheless *constituted* "revisions" of the print publishers' collective works. See para. # 5, *post*.

5 *The New York Times, Newsday* and *Sports Illustrated*.

the petition were not written pursuant to an express agreement regarding rights.

4. Plaintiffs claimed the print publishers and databases producers committed separate infringing acts. They did not claim defendants were vicariously liable for the infringing acts of third parties who accessed the defendants' databases.

The principal acts on which plaintiffs predicated their claims consisted of the following: In the case of the database producers, plaintiffs claimed that they improperly reproduced plaintiffs' articles both before and after adding them to their databases. In the case of the print publishers, plaintiffs claimed that they engaged in a series of acts that contributed to and made them vicariously liable for *the database defendants'* infringements.[6] These acts included the reproduction and provision of plaintiffs' works to the database producers,[7] as well as acts the print publishers undertook to prepare the articles for addition to the databases.[8]

5. Although petitioners repeatedly urged it to do so, the District Court did not find that the database defendants had

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6 District Court correctly noted that plaintiffs claimed contributory infringement *only* to the extent that they contributed to one another's infringement. Plaintiffs did not accuse end-users of infringing acts or attempt to make defendants vicariously liable for such acts. (33a, n.3).

7 In order to provide articles to the databases, the print publishers deconstruct their collective works. They then "discard" photographs, captions, graphics, maps, death notices, stock-market reports, crossword puzzles, public notices and advertisements (29a, 72a), leaving the "resaleable parts" of their collective works — individual articles— for recycling.

8 In order to prepare an article for electronic recycling, the publishers would: (1) ensure that each article that had once been part of a collective work was now in a separate electronic file (4a; 64a); (2) select keywords to reflect the content of each article and electronically assign them to that file (30a, 64a); (3) add basic information to each file to identify the author, name and date of the publication in which an article had originally appeared (4a, 29a, 64a); and (4) assign a unique "accession number" to each file to facilitate its independent retrieval. The publisher would then send these individually tagged and numbered files onto the database producers for further processing and addition to their databases.

placed intact "electronic copies" of the print publishers' collective works into the NEXIS on-line database or onto the NYTO CD-ROM. To the contrary, it found that articles that had once appeared together in a fixed relation as part of a particular collective work were no longer in that relation, but dispersed throughout the databases. (64a) As a consequence, it found that both NEXIS and the NYTO store and display individual articles, not collective works. (102a).

Notwithstanding these findings, it went on to find *as a matter of law* that each of the databases constituted a "revision" within the meaning of Section 201(c) of each individual issue of the print publishers' collective works in which a contribution first appeared.[9] It did so on the following two grounds:

i) because an article retrieved from one of the databases is displayed together with a citation to the periodical issue in which the article originally appeared (71a, 96a, 100a); and

ii) because, even though articles that originally appeared together are no longer grouped as a unit, the Court found that the other articles that had once appeared together with the article that is retrieved are present somewhere in the database. (70a, 96a, 98a, 99a n.7, 100a, 101a).

6. On appeal, rather than embrace the District Court's reasoning, petitioners reverted to arguments the District Court had rejected. Discarding the thesis that the databases constituted "revisions" of individual periodical issues, they reverted to their argument that the databases *contained* "revisions" of the collective works. As they had below — and as they do here — they urged the Court of Appeals to find that they had placed intact revisions or "electronic copies" of the print publishers' periodical issues in the databases.

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9 Practically speaking, this would mean that the NEXIS and GPO databases constituted "revisions" of the August 21, 1998 edition of *Scientific American*, the December 6, 1995 edition of *Nonpareil*, the November 19, 1985 edition of *Explorer*, etc.

7. Like the District Court before it, the Second Circuit rejected petitioners' contentions that the databases at issue contain collective works. It found that they contain articles. (2a, 4a, 5a). Thus, it found that "NEXIS is a database comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals." (14a) It found that the NYTO CD-ROM is composed of "the full texts of articles" similarly taken from different issues of The New York Times. And, it found that the GPO CD-ROM "contains selected New York Times articles and thousands of other articles [from other journals and periodicals]" (5a) (material in brackets added). Each article that is stored in one of these databases is stored as a discrete unit, either in a text-only or page-view form.[10] As a result, articles that were once an integral and inseparable part of particular print collective works are "now available . . . [to] be retrieved individually or in combination with other pieces originally published in different editions of the [same] periodical or in different periodicals." (6a-7a).

In addition to finding that the databases didn't contain intact collective works, the Court of Appeals also found that they didn't legally *constitute* any one of the three collective works provided for in Section 201(c). In other words, although it agreed in substantial part with the District Court on the facts of the case, it disagreed with the District Court's construction of Section 201(c). (7a-14a). Finding that an amalgamation of articles is neither the original collective work in which any of the articles appeared nor a "revision" of any of those particular collective works, the Second Circuit further found that defendants had not acted within the confines of the § 201(c) privilege but had infringed plaintiffs' rights in their contributions. (6a, 9a, 14a). Accordingly, it reversed and remanded with instructions to enter judgment in plaintiffs' favor. (2a, 22a) It did so with respect to each of the three

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10 UMI uses a somewhat different methodology to incorporate articles from the N.Y. Times Sunday book-review and magazine sections onto its GPO CD-ROM than it uses to incorporate articles into NYTO. (5a). That methodology results in page-views.

electronic databases at issue in the litigation, i.e., the NEXIS on-line database and the two UMI CD-ROM's.

8. Petitioners timely moved for rehearing and/or rehearing en banc and, on February 25, 2000, the Court of Appeals issued an amended opinion in which it reiterated its findings and conclusions. Subsequently, on April 6, 2000, the entire Second Circuit denied petitioners' motion for rehearing en banc. No judges on the Circuit recorded a dissenting vote or issued a dissenting opinion.

9. Petitioners then moved for a stay of the mandate, with undersigned counsel for respondents consenting for purely pragmatic reasons.

REASONS THE PETITION SHOULD BE DENIED

Introduction

This Court does not normally grant certiorari to review questions of first impression presenting issues of statutory construction that have, to date, been resolved in only one Circuit, conflict with no decision of this Court and present no constitutional issues. It should not now.

Petitioners attempt to bypass the traditional criteria of this Court by arguing that treating them like other litigants would implicate this Court in "the massive destruction of constitutionally protected information." (Pet. at 17).

This is not a case about library burning or the destruction of information. It is a case about who, in the absence of specific agreement, should receive royalties from the electronic re-publication of contributions made by freelance writers to petitioners' periodicals. Section 201(c) of the Copyright Act of 1976 provides the answer.

It provides that, in the absence of an express transfer of the copyright in an article ("contribution") written by a freelancer, or of any rights under it, the owner of copyright in a newspaper or magazine issue ("collective work") is presumed to have acquired *only*

> "the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."

Were the Court to grant certiorari in this matter, the case would present three questions. See "Questions Presented," *ante.* At this juncture, however, there is only one question:

Whether it is appropriate for this Court to review, prior to entry of judgment and a hearing or determination on damages, a case of first impression resolved by a routine exercise in statutory construction?

Because there has been no other decision on this issue by any Circuit, because it does not conflict with any decision of this Court, because it is a new issue that is being developed in various factual contexts in cases now pending, and because it presents no First Amendment or other constitutional issues, the answer must be, "No."

ARGUMENT

While petitioners have regularly insisted over the past six years that the Copyright Act must be given a "medium-neutral" construction, in the final analysis they are actually arguing for the exact opposite. They are asking this Court to construe the Act in such a fashion as to give them rights and privileges in the electronic medium that they do not have — and admit they do not have — in any other medium.

Thus, they admit that they cannot cut an individual article out of a newspaper and distribute it as a flyer on the street. They admit that they cannot print up an individual article and make it available at a newsstand. And, they admit that they cannot include an individual article from one newspaper or magazine in a new or different anthology or compilation.

They pretend that different rules apply, however, in the electronic medium. In other words, they pretend that they can do precisely those things that they are forbidden to do in print so long as they use electronic shears instead of regular scissors.

I. The Facts Of This Case Do Not Present Issues Either Requiring Or Meriting This Court's Attention. The Issues Petitioners Raise Are Not Posed By The Facts Of This Case.

A. Petitioners Are Not Precluded Under The Second Circuit's Decision From Publishing Their Periodicals In Electronic Form.

Petitioners labor to create the impression that the Second Circuit's Opinion draws an arbitrary and anachronistic line: It permits Petitioners to publish their newspapers and magazines in a print-on-paper form. It prohibits them from publishing those same newspaper and magazine issues in an electronic form — i.e., on-line, on-disc, or in a DVD, etc.

Nothing could be further from the truth. Absolutely nothing in the Second Circuit's opinion precludes the publisher-defendants from publishing their works in any medium they choose, including the electronic medium. What it precludes them from doing is publishing somebody *else's* works in the electronic medium without permission or compensation. In other words, it precludes them from utilizing a *format* in the electronic medium that exploits component parts of their collective works as distinct from their collective works proper.

Had the print publishers wanted to make "electronic copies" of their collective works, there is undisputed evidence that they could have done so, using particular digital scanning techniques. They did *not* create such copies — not because they couldn't technologically, but because, from an economic standpoint, they didn't want to.[11] What they wanted to create

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11 Contrary to the suggestion at page 26 of their petition, there is undisputed expert evidence in this case that petitioners were not constrained in any way, either by the characteristics of the electronic medium or by technological considerations, from making intact "electronic copies" of their collective works. See Affidavit of Glenn Williams submitted in support of Plaintiffs' Motion for Summary Judgment and In Opposition to Defendants' Motion. Petitioners chose not to make such copies — not because the technology would not permit them to, but because the market for such a product is infinitesimal compared with that for copies of individual articles.

— and did create — and subsequently offered for sale or distribution were copies of individual components of their collective works, including respondents' freelance articles.

In other words, petitioners consciously chose to make certain types of electronic works and not others. The reasons for their choices are obvious. Had petitioners made electronic copies of their collective works, they would have been exact on-line replicas of their publications — or, in essence, an electronic microfilm. Each of the component parts of an issue so replicated would have been inextricably fixed in the collective work as a whole, and could only have been retrieved together with all of the other component parts that originally appeared together with it.

Petitioners created infinitely more saleable items. They made each article that was once an integral part of a collective work available separate and apart from all of the other articles, features, and factors of selection and arrangement that gave the collective work its character. Thus, petitioners' databases offer individual contributions either on a stand-alone basis, or as part of a compilation or anthology of contributions from different issues and periodicals. What they do not in fact offer is "that particular work" in which the articles first appeared, or an "electronic copy" of it.

While someday someone may challenge petitioners' right under the Copyright Act to make exact on-line replicas of their collective works, that day has not yet come. If and when it does, that case will present the issue petitioners have asked this Court to review: i.e., whether petitioners are being denied the right to make electronic copies of their collective works. *This* case does not present that issue. It simply asks whether three specific databases — works that the Courts below found were not "electronic copies" of the print publishers' original collective works[12] and *did* exploit individual freelance contributions — are outside the § 201(c) privilege. They clearly are.

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12 Given this fact, petitioners' "Question Presented" is irrelevant to this case.

B. The Decision Is Unlikely To Have The Impact Petitioners Suggest It Will Have.

1. The Decision Simply Establishes A Default Rule That Is Applicable In The Event That The Parties Do Not Address The Question Of Rights.

In addition to misrepresenting the issues raised by this case, petitioners have exaggerated its impact.

They suggest that the decision the Court is being asked to review affects *everything* in their databases and requires them to be destroyed or shut down. Those claims are hyperbolic.

First of all, the issue of remedies has not yet even been reached in this case, let alone in any case presenting *Tasini*-type issues.

Even more significantly, the great majority of articles in the NEXIS database are not freelance articles. They were written either on a "work-for-hire" basis or by a newspaper or magazine's staff. (Pet. at 13; 61a). The Second Circuit's decision, therefore, has no application to them.

Indeed, accepting the accuracy of petitioners' own figures for purposes of this brief, freelance articles account for only .0036% or 3.6/1,000ths of *one* percent of the material in NEXIS' database. (The database currently contains 2.8 billion articles. See http://www.lexis-nexis.com/business/about.htm (visited Sept. 28, 2000). According to petitioners, approximately 100,000 of those are freelance articles. See Pet. at 13.)

Equally important, many of those 100,000 articles were written *pursuant to an express transfer of rights* in which the publisher was given either "first North American serial rights," "first publication rights" or "the right first to publish the Story in the Magazine," etc. [13] It is only articles that have *not* been

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13 Originally, the *Tasini* case involved four types of claims. Each was predicated upon a different arrangement between the publisher and the freelancer. In two of the sets of claims, there was an express agreement between the publisher and the freelancer, and the agreement contained an

written pursuant to an express transfer of rights, however, that are at issue in the present petition. In other words, only those articles to which the "default rule" provided for in Section 201(c) applies. That sub-universe of articles, however, probably constitutes at most .001 % — or one thousandth of one percent — of the material in NEXIS.

For that reason, petitioners' assertions that the Second Circuit's decision will necessitate the deletion of millions of articles are extremely inflated. See, e.g., Pet. at 16.

As the Second Circuit observed in its Opinion: We are talking about a default rule that only applies in the absence of an express transfer of rights. "Publishers and authors are free to contract around the statutory framework." (17a).[14]

In any event, there is an alternative to deletion: reasonable compensation to authors whose works have been used.

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express transfer of rights. (Under the first of these, the plaintiff gave the publisher 'first North American serial rights' in his article. Under the second, the plaintiff gave the publisher 'first publication' rights.)

In a third set of claims, Newsday claimed the right to include plaintiffs' articles in the NEXIS database pursuant to a legend stamped on the back of its checks. The legend purported to retroactively give the newspaper publisher the right to include plaintiff's articles in its own "electronic archives." Finally, in the fourth set of claims, both parties agreed that there was no agreement or express transfer of any rights.

Since respondents believed that freelancers were as likely to find themselves writing pursuant to the first and/or second type of arrangement, as they were the fourth, they sued on the basis of all four arrangements.

Only the fourth set of claims is pertinent to this petition. (Petitioners did not appeal rulings in plaintiffs' favor on the second and third set of claims. The first claim was settled.)

14 Many of them already have. See, e.g., reference by the Second Circuit to the New York Times' new policy. (3a, n.1)

2. Contrary To Petitioners' Contention, Further Percolation Is Not Only Possible, But Appropriate.

Petitioners advance several arguments at pages 10-18 of their brief as to why the normal rules regarding Circuit conflicts should not apply in this case. They claim that: (1) this Court has affirmatively dispensed with the requirement of a Circuit conflict in copyright cases and adopted a more relaxed standard for review, see Pet. at 10; (2) given the number of publishers in New York and the international reach of databases, a decision of the Second Circuit on a copyright issue "sets an immediate national rule *not* subject to further percolation in the courts of appeals," Pet. at 12 (emphasis added); (3) this Court — ipso facto — should consider such a decision ripe for review; and (4) if it doesn't and certiorari isn't granted, petitioners and much of the rest of the publishing world will suffer *irreparable injury*. See Pet. at iii, 9, and 12 (Petitioners use the terms "irreparable harm," "irreparable injury" and "irreversible, nationwide harm" interchangeably).

None of petitioners' arguments is tenable. *First,* there is simply no evidence that the Court has adopted a special or more relaxed standard for review in copyright cases. In fact, the cases petitioners cite in footnote 5 on page 10 of their brief in support of that proposition establish the opposite. Thus, in four out of the five cases in which petitioners suggest the Court dispensed with the requirement of a "split" and employed a more lenient standard, a "direct circuit conflict" was clearly evident.[15] See, e.g., *Campbell v. Acuff-Rose Music*, 510 U.S. 569 (1994)(there was a conflict between the Sixth and Second Circuits on the one hand and Ninth Circuit on the other); *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991)(there was a conflict between the Second, Fifth, Ninth and Eleventh Circuits on the one hand and Tenth Circuit on the other); *Harper & Row v. Nation Enterprises*,

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15 While not immediately apparent from the face of the decisions, even a cursory examination of the underlying petitions demonstrates this to be true.

471 U.S. 539 (1985)(there was a conflict between the Seventh and Fifth Circuits on the one hand and Second Circuit on the other); *Sony Corp. v. Universal City Studios*, 464 U.S. 417 (1984)(there was a conflict between the Ninth Circuit and the Court of Claims).

Second, the suggestion that the Second Circuit has an effective monopoly or is the sole effective law-giver in the copyright field is inaccurate. The Second Circuit's acknowledged expertise aside, copyright issues have arisen in and been addressed by *every* Circuit in the country. Even a cursory examination of recent copyright decisions confirms this to be true. *See, e.g., Segrets, Inc. v. Gillman Knitwear Co., Inc.*, 207 F.3d 56 (1st Cir. 2000), *petition for cert. filed*, Jun.26, 2000; *Smithkline Beecham Consumer Healthcare, L.P. v. Watson Pharm., Inc.*, 211 F.3d 21 (2d Cir. 2000); *Orson, Inc. v. Miramax Film Corp.*, 189 F.3d 377 (3d Cir. 1999), *petition for cert. denied*, 2000 U.S. LEXIS 1869 (Mar. 6, 2000) (No. 99-866); *Ale House Management, Inc. v. Raleigh Ale House, Inc.*, 205 F.3d 137 (4th Cir. 2000); *Brown v. Ames*, 201 F.3d 654 (5th Cir. 2000), *petition for cert. filed*, Jun. 21, 2000; *Landham v. Lewis Galoob Toys, Inc.*, No. 99-5959, 2000 U.S. App LEXIS 23386 (6th Cir. Sept. 18, 2000); *Kennedy v. Nat'l Juvenile Detention Ass'n*, 187 F.3d 690 (7th Cir. 1999), *petition for cert. denied*, 120 S. Ct. 1169 (Feb. 22, 2000); *Phillips Beverage Co. v. Belvedere, S.A.*, 204 F.3d 805 (8th Cir. 2000); *Worldwide Church of God v. Philadelphia Church of God, Inc.*, Nos. 99-55850, 99-55934, 99-56005, 99-56489, 2000 U.S. App. LEXIS 23390 (9th Cir. Sept. 18, 2000); *Oklahoma Natural Gas Co. v. Larue*, Nos. 97-6087, 97-6093, 97-6224, 1998 U.S. App. LEXIS 21394 (10th Cir. Sept. 1, 1998), *petition for cert. denied*, May 16, 2000; *Brewer-Giorgio v. Producers Video, Inc.* 216 F.3d 1281 (11th Cir. 2000); *Recording Indus. Ass'n of Am., v. Librarian of Congress*, 176 F.3d 528 (D.C. Cir. 1999); *In re Indep. Serv. Orgs. Antitrust Litig.*, 203 F.3d 1322 (Fed. Cir. 2000), *petition for cert. filed*, Jul. 11, 2000.

In any event, the suggestion that because many publishers are located in New York, there is little opportunity for and

virtually no possibility of effective percolation elsewhere is mistaken.[16] The facts are clearly to the contrary. There are media, publishing and entertainment companies located throughout the country — as well as overseas — and copyright lawsuits have arisen with respect to many of them. Petitioners' own citations prove this.[17]

Even more significantly, perhaps, the potential plaintiffs on these issues — i.e., the freelancers whose copyrights have been infringed in this instance — are also located throughout the country. Under the jurisdictional provision that was specially adopted for copyright cases — and that petitioners concede is "expansive," Pet. at 12 — these plaintiffs can bring suit not only in the particular district in which a defendant "resides," but also wherever the "defendant *or his agent* . . . may be found." 28 U.S.C. § 1400(a)(emphasis added).

Such plaintiffs not only can sue, but have sued. There are now at least six actions involving *Tasini*-type claims in district courts around the country or on appeal from those courts: in the Southern District of Florida, Central and Northern Districts of California, District of Delaware and Southern District of New York.[18]

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16 Petitioners pretend that it is unusual for the decision of a single court to have nationwide ramifications. (Pet. at 11, 12, 17, 18). It is not unusual at all. Nowadays, it is probably the rule rather than the exception. This is so whether a suit sounds in products liability law, antitrust law, employment discrimination, defamation, RICO, etc. The reason is both obvious and simple: most companies have a national business.

17 Thus, of the five copyright cases that petitioners make the cornerstone of their argument, three originated outside the Second Circuit: *Campbell v. Acuff-Rose* (the Sixth Circuit), *Sony Corp. v. Universal City Studios* (the Ninth Circuit), and *Feist Publications, Inc. v. Rural Tel. Serv. Co.* (the Tenth Circuit).

Of the eleven copyright cases petitioners cite to at pages 23-25 of their brief, all eleven hale from other Circuits.

18 Three of these are class actions against databases for having infringed freelancers' rights: *Laney v. Dow Jones & Company, Inc.*, Civil Action No. 00 769 (United States District Court for the District of Delaware); *Posner v. Gale Group, Inc.*, Civil Action No. 00 2913 (United States

Even if this were unusual and, generally, there were a disproportionate number of copyright cases in the Second Circuit, to the best of respondents' knowledge, the Supreme Court has never found that the criteria and standards for granting certiorari *should be relaxed simply because certain issues* may arise more frequently in one Circuit than in another for reasons of geography. For instance, it is clearly the case that certain issues relating to illegal re-entry in the immigration context arise more frequently in the Ninth and Fifth Circuits than in other Circuits. Nevertheless, no one has ever suggested that parties involved in cases presenting such issues in those Circuits have the right to bypass the normal rules for certiorari. The evidence is to the contrary. *See, e.g., Almendarez-Torres v. United States,* 523 U.S. 224 (1998)(the Court granted certiorari only after nine Circuits had addressed the issue being presented to it and there was an 8 to 1 split); *United States v. Munoz-Flores,* 495 U.S. 385 (1990)(the Court granted certiorari only after 7 Circuits had addressed the issue being presented to it and there was a 6 to 1 split); *United States v. Martinez-Fuerte,* 428 U.S. 543 (1976)(the Court granted certiorari only after 2 Circuits had addressed the issue and there was a 1 to 1 split); *United States v. Peltier*, 422 U.S. 531 (1975) (same); *INS v. Errico*, 385 U.S. 214 (1966) (same).

District Court for the Northern District of California); and *The Authors Guild, Inc. v. The Dialog Corporation*, Civil Action No. 00 6049 (United States District Court for the Southern District of New York). They are currently the subject of a pending motion before the Judicial Panel on Multidistrict Litigation for transfer and coordination or consolidation under 28 U.S.C. § 1407. The undersigned counsel for respondents is also plaintiffs' counsel in the *Laney* case.

The fourth case is the *Tasini* case, and the fifth and sixth cases are cases, not by writers, but by photographers complaining of the electronic reproduction of their works. One of these, *Greenberg v. National Geographic Soc'y*, No. 97-3924 Civ, 1998 U.S.Dist. LEXIS 18060 (S.D.Fla. May 14, 1998), is currently on appeal before the Eleventh Circuit.

The motion before the Judicial Panel on Multidistrict Litigation notes that *Tasini* is a related case but does not seek its transfer, coordination, or consolidation, as *Tasini* is not under a district court's jurisdiction at this time.

There is thus no reason to adopt a relaxed standard in this case for granting certiorari since there will be ample opportunity for these claims to percolate up through the Circuits. Respondents are confident that no split will develop — not because the Second Circuit will be the only Circuit to rule on the issue, but because other Circuits will adopt its reasoning.

Third, petitioners' complaint that even if percolation takes place, the coffee will be brewed too late — because petitioners, publishers and information-aggregators will have already suffered "irreparable injury" — is not a complaint that is appropriately made to this Court. This is so for two reasons: First, because irreparable injury to the parties to a suit is not the basis upon which certiorari is granted or denied. It is granted or denied based upon the rules petitioners have been trying to avoid. Second, because the irreparable injury petitioners say they will suffer is *at their own hands*. (See Pet. at 17, where petitioners state: "[T]his is a case in which the necessarily risk-averse position of petitioners . . . leaves no choice other than to take irreversible, information-destroying steps when the Second Circuit's judgment takes effect.")

Clearly, if irreparable injury to a party could be a basis for granting certiorari and the injury could be self-inflicted, then companies could manufacture claims of irreparable injury and assure themselves review in the United States Supreme Court. This is a formula the Court should not countenance because it will result in "certiorari on demand."

3. Unless Petitioners Are Determined To Carry Out Their Doomsday Threats, They Are Unlikely To Come To Pass.

Although they purport to be arguing that the Court has adopted a less stringent standard for certiorari in copyright cases than it has in other cases, what petitioners are really arguing for is a kind of "most favored industry" status. That is, a preferred position with respect to certiorari because their industry trades in information.

Not convinced that the Court will ever agree that they are automatically entitled to an extraordinary status, however, or

that copyright cases necessarily warrant a relaxed standard of review, petitioners try another tack: THREATS.

In order to maximize the impact of these threats, petitioners first don the garb of the custodians of the nation's history and the compilers and overseers of what they call its "historical archive."[19] After claiming this exalted status, they then threaten to destroy what they just claimed to have wrought. In other words, they threaten that they will take "irreversible, information-destroying steps" to destroy "decades' worth of articles." (Pet. at 17, 9). They threaten that they will "delete vast numbers of . . . articles permanently from the NEXIS database and . . . destroy large numbers of CD-ROMs." (Pet. at 9, 15). And, they threaten that they will effectively cut a swathe through the so-called 'historical record' to eliminate any freelance presence. (Pet. at 13-14, 16).[20]

In essence, petitioners are suggesting this Court is responsible for the fate of billions of bits and bytes petitioners have taken hostage. Unless you give us what we want, they argue, we are going to begin destroying documents and discs on a massive scale, and permanently erasing articles from our

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19 If they are in fact doing as they suggest at pages 13 and 14 of their brief, and increasingly storing historical documents electronically, petitioners may be consigning a not insignificant portion of the nation's history to ultimate oblivion. Compare "Compact Disks: Life Expectancy vs. Expectations," N.Y. Times, Feb. 23, 1992 (Letter-to-the-Editor) and Michael Riggs, "The Compact Disk Is Here To Stay . . . for a While," N.Y. Times, January 19, 1992, for a discussion of the fragility of the medium in the context of music CD's.

20 Petitioners' claims that massive amounts of information will have to be destroyed and CD-ROMs withdrawn from the market rest on a series of affidavits petitioners submitted in support of a motion that undersigned counsel did not oppose — i.e., petitioners' request for a stay of the mandate. (Pet. at 15, n. 8)

They characterize these affidavits as "sworn and uncontradicted testimony." (Pet. at 15) It would have been more accurate to characterize them as statements in the nature of hearsay, submitted as proffers on a peripheral issue that was not contested. (See Statement of the Case, ¶ 9.) While the statements in the affidavits may have been sworn to by petitioners' officers, they were obviously never subjected to cross-examination.

databases that do not have an undisputed "work for hire" provenance.[21]

And, what is it that the petitioners want? What are their demands? Nothing less than: (i) a preferred position for review of decisions adverse to publishers, and (ii) a grant of certiorari in this case.

The drastic remedy petitioners threaten to implement — deleting articles from their databases — is entirely self-imposed. No court has ever ordered any of the petitioners to delete a single article from a single database. No court has yet even considered such a remedy. Indeed, the parties in *Tasini* haven't even gotten to the phase of the case in which any remedy has been considered.

Even if this Court were to give petitioners exactly what they wanted — that is, if it granted certiorari and undertook to review the 201(c) issues in their entirety — petitioners would still have to identify, locate and bargain with free-lancers whose works they have appropriated.

Why? Because the number of articles in the database that were written pursuant to the default rule is only a small

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21 All the petitioners' talk of having to permanently erase articles from a database is misleading. (*See, e.g.*, Pet. at 13, 15, 17) Contrary to petitioners' suggestion, one can easily and instantaneously remove works from a database or bulletin board or *restore* works to a database. Both things were done in connection with this case. *See* Affidavit of H. Bruce Franklin submitted in support of Plaintiffs' Summary Judgment Motion.

Petitioners' talk of having to "destroy" CD-ROMs or "permanently withdraw" them from the market is equally misleading. (*See, e.g.*, Pet. at 13, 15). CD-ROMs are routinely replaced at periodic intervals in the ordinary course of business. The old CD-ROMs are simply superseded by new ones and become obsolete.

Given this practice, there is no reason why new CD-ROMs couldn't be created without infringing material and used as replacement discs. Recipients could then be instructed to follow the procedure they would normally follow upon the receipt of a new disc — i.e., to discard the one that was, in any event, being superseded. Under these circumstances, it seems likely that *no* CD-ROMS would need to be "withdrawn" or "destroyed."

percentage of articles in the database that were written by freelancers. Petitioners also appropriated the work of freelancers who wrote pursuant to "first North American serial rights" clauses, pursuant to "first publication rights" clauses, and pursuant to legends that were stamped on the backs of checks. These appropriations were also found to have been violative of freelance authors' rights under the Copyright Act, and yet *petitioners did not appeal these rulings*. (See fnote 15, *supra*.) It follows that whatever this Court may or may not do with respect to the 201(c) aspect of the Second Circuit's ruling, at some point petitioners will have to proceed to identify, locate and obtain permission from freelancers who wrote under those other circumstances.

So, what is the point? If the threatened dire consequences of the decision below are self-imposed and granting review will leave petitioners with the onerous tasks they say they are trying to avoid, what is the purpose of their making the dire prognostications in the first place? Could it be that they are really trying to save themselves from another fate and achieve a very different objective? That they are not really so concerned about what they may have to pay for past deeds as they are about getting control for the future? That they believe that if they can only convince this Court of the correctness of *their* interpretation of § 201(c), then they would forever after be able to rely on the default rule and never again have to negotiate with freelancers?[22]

That would ensure them not only "all rights" in all future articles forevermore, but also, practically speaking, the exclusive right to the royalty stream from those articles. And the sooner this stream starts, the longer it flows. In other words, it would ensure them greater control and an even sweeter deal than they had under the "doctrine of indivisibility" prior to the enactment of the 1976 Copyright Act.[23]

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22 Obviously, the decision of the Second Circuit would have the opposite effect: i.e., of encouraging all parties to enter into freelance agreements.

23 Ironically, both the petitioners and District Court have agreed that Congress enacted the 1976 Copyright Act and Section 201(c), in large part, to overturn the doctrine of indivisibility. (49a, 72a; Pet. at 6)

Under the doctrine of indivisibility, a publisher got all rights in an article if it negotiated a contract that gave it any rights at all.[24] Here, the publishers are trying to establish a rule that will automatically give them all rights in all articles without any contracts at all. In other words, they are looking to convert § 201(c) into the exception-swallowing "cash cow."

While it may well be appropriate to grant publishers "most favored industry" status when the issues before the Court pertain to the First Amendment — because there the media stands in the shoes of the public and champions their rights — it would be inappropriate to grant them such a status under the circumstances of this case. Here, far from seeking to advance First Amendment values, petitioners are seeking to protect and expand their bottom line. Indeed, even the Court that ruled in petitioners' favor on the Section 201(c) issues had no illusions about what petitioners were seeking to protect: a "windfall." (79a).

While petitioners have every right to be interested in their bottom line, that right is not protected by the First Amendment and is entitled to no special consideration from this Court.

II. There Is No Conflict Between The Circuits Or With The Decisions Of This Court.

A. There Is No Conflict Between The Circuits On This Issue.

There is no conflict between the Circuits. This is an issue of first impression that has not yet been addressed by any other Court of Appeals.

B. The Alleged Conflict With *Sony* Is An Illusory One.

At pages 22-26 of their brief, petitioners suggest that the Second Circuit's decision in this case is in conflict with this

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24 The rights in an article were considered to be "indivisible." So that if a publisher were given any, it was deemed to have gotten them all. See 3 M. & D. Nimmer, Nimmer on Copyright, § 10.01[A], at 10-5 (1996 ed).

Court's decision in *Sony Corporation of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

Petitioners are mistaken. The two decisions are compatible. *Sony* is simply inapposite.

In *Sony*, Universal City Studios Inc. and Walt Disney Productions sued the manufacturer and retailers of Betamax video tape-recorders (VTR's) for infringing copyrights they held in a variety of TV programs. They alleged that some individuals had used the VTR's to record their programs off the airwaves without authorization and in violation of their rights. They sought to hold the VTR manufacturer and retailers liable for the consumers' infringement on the theory that they had contributed to that infringement by providing them with the means to accomplish it. This Court held that defendants were not liable under the Copyright Act for having sold the VTR's since the VTR's were simply a "staple article of commerce" that could be used in both infringing and non-infringing ways.

The instant case does not involve the sale and distribution of a "staple article of commerce." It involves the reproduction, sale and distribution *of the infringing works themselves*.

As the Court clearly recognized in *Sony* itself, this distinction is a critical one. It highlighted the distinction in the context of explaining why its earlier decision in *Kalem Co. v. Harper Brothers*, 222 U.S. 55 (1911), was irrelevant to the issues then before it. It said:

> Respondents [Universal City Studios and Walt Disney Productions] argue that *Kalem* stands for the proposition that supplying the "means" to accomplish an infringing activity and encouraging that activity through advertisement are sufficient to establish liability for copyright infringement. This argument rests on a gross generalization that cannot withstand scrutiny. The [film] producer in *Kalem* did not merely provide the "means" to accomplish an infringing activity; the producer supplied the work itself, albeit in a new medium of expression. Sony in the instant case does not supply Betamax consumers with respondents' works; respondents do. Sony supplies

> a piece of equipment that is generally capable of copying the entire range of programs that may be televised: those that are uncopyrighted, those that are copyrighted but may be copied without objection from the copyright holder, and those that the copyright holder would prefer not to have copied. . . .

Sony, supra, 464 U.S. at 436.

For the same reasons the *Kalem* decision was not relevant in *Sony*, the *Sony* decision is not relevant here: *Tasini*, like *Kalem*, involves the defendants' reproduction and sale of the infringing works themselves. *Sony* only concerned sale of the "means."[25]

There is a second reason why the two decisions are not in conflict. In *Sony*, the claim was that Sony and the other petitioners were liable for acts of copyright infringement *allegedly committed by third parties* — i.e., the Betamax consumers.

Here, there are no such claims. As petitioners have readily admitted, see Pet. at 4, respondents have complained of *petitioners'* conduct and not the conduct of third parties.[26] Thus,

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25 The District Court clearly recognized that *Sony* is not applicable here. *See* 33a, n.3.

26 Indeed, the only ones who have consistently raised the conduct of third parties in this case are petitioners, who have repeatedly insisted that it affords them a defense.

Thus, while acknowledging that the component parts of what was formerly a "collective work" are dispersed throughout a database, petitioners have repeatedly relied upon the fact that, *if he chose to*, an end-user could intentionally conduct a search that would *re*collect some of its parts. Thus do petitioners support the claim that a version of the collective work is still 'carried' in the database. See Letter-Memorandum From Bruce P. Keller to the Court, dated December 24, 1996, submitted in further support of the defendants' motion for summary judgment.

It is only in their petition to this Court that petitioners have finally acknowledged that that defense is not a good one. See Pet. at 24-25, where petitioners cite to the decisions in *Los Angeles News Serv. v. Tullo*, 973 F.2d 791, 797 (9th Cir. 1992) and *Princeton Univ. Press v. Michigan Document Servs., Inc.*, 99 F.3d 1381, 1389 (6th Cir. 1999)(en banc).

the only defendants are the print publishers and database producers — not end-users or consumers — and the liability of the defendants is predicated on their *own* infringing acts.

In the final analysis, petitioners' real complaint is not that respondents relied upon third-party conduct and that the decision is in conflict with *Sony*, but that respondents didn't rely upon third-party conduct and that the decisions are not in conflict. 'If respondents had only pressed a different case,' petitioners grumble, 'we might have had a defense.'[27]

C. The Alleged Conflict With *Feist* Is, Likewise, Illusory.

At pages 26-28 of their brief, petitioners repeat the by now timeworn fiction that all they have done is "mechanically reproduce" entire issues of their newspapers and magazines — i.e., their collective works — in another medium.

Not so. They are mechanically reproducing component parts of their collective works — i.e., articles, op-ed pieces and other pieces of text — but not the collective works proper. Significantly, for purposes of this litigation, those parts include articles in which respondents hold the copyrights.

In addition to refusing to acknowledge the fact that they are reproducing only components, petitioners refuse to acknowledge two further facts. First, that the components are then provided to a database producer for the express purpose of being included in a database. Second, by combining thousands, millions or billions of articles from tens of thousands of different sources, the database producers create anthologies that never existed before. These anthologies are themselves copyrightable and qualify as new works.[28] However,

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27 *Sony* would not have been applicable, in any event, even if respondents *had* sued end-users — once again, for the reasons articulated in *Kalem*.

28 See 37 C.F.R. 202.3(b)(4)(recognizing that automated databases constitute copyrightable works and providing for their registration). See also Copyright Office Circular 65, Copyright Registration for Automated Databases.

they do not qualify as one of the § 201(c) works in which freelance contributions may be included. H.R. Rep. No. 94-1476, at 122-23 (1976), reprinted in 1976 U.S.C.A.A.N. 5659, 5738 (under § 201(c), freelance contributions cannot be included "in a new anthology, an entirely different magazine or other collective work . . . ").

Cognizant of the fact that it follows inexorably that petitioners have infringed respondents' copyrights, petitioners try one last desperate salvo. They suggest, sotto voce, that their databases lack sufficient originality to be registered and, therefore, *cannot* constitute "new works."[29] They appear to believe that if they convince the Court that they *do not* constitute "new works," the Court will then be left with no alternative but to conclude that the database must either constitute the "old work" or a "revision" of that work — in other words, one of the two works in which freelance contributions can be included under § 201(c)'s first clauses. However, because "new" and "old" are not the only alternatives, petitioners' efforts are beside the point.

The choice isn't simply between a "new work," on the one hand, and something that is either the original or a "revision" of the original on the other. There is still a third option. Imagine you are at an auto junkyard. Before you, lying on the ground are used parts from dozens of old cars. No one would say that these constitute a new car — but who would suggest that the old cars still exist, either in their original form or in a

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29 It should be noted, of course, that *Feist* didn't concern databases. It concerned the copyrightabililty or noncopyrightability of two compilations of facts, containing names and telephone numbers in alphabetical order. Thus, the Court's conclusion that the white pages of the telephone directory weren't sufficiently original to qualify as copyrightable subject matter is of no relevance here.

In any event, the issue in *Tasini* isn't whether petitioners' databases possess sufficient originality to be eligible for copyright registration, but whether petitioners can reproduce and publish respondents' articles — which everyone acknowledges are copyrightable — as part of those compilations. The Second Circuit concluded that petitioners cannot. That conclusion is not in any way incompatible with *Feist*.

revised, revamped or souped-up version of the original? In fact, there are no more cars — just spare parts.

In either event, whether you consider a database of the type at issue here a "new work," as respondents believe you must, or a noncopyrightable collection, as petitioners suggest would be proper under *Feist*, it clearly does not qualify as one of the three permitted works within the scope of § 201 (c). There is absolutely no conflict between *Feist* and *Tasini*, therefore, or between the principles underlying *Feist* and the conclusion that petitioners infringed respondents' copyrights.

III. There Can Be No Doubt About The Correctness Of The Second Circuit's Decision

A. The Provision At Issue

At page 7 of their Petition, petitioners chide the Second Circuit "for its inclusion of only one citation to a copyright law decision" in its Opinion. It is petitioners who deserve to be chided. As the issue raised is one of first impression, it is unlikely there will be any "copyright law decision" directly on point.[30] Even more important, as the issue raised is whether the privilege afforded by § 201(c) extends to petitioners' activities, it can only be answered by careful examination of the language of that provision. Petitioners shun all consideration of the words of the statute, relegating it to the far reaches of their Appendix, and offer this Court no explanation of why the Circuit's reading of its plain meaning was in error. Even a cursory examination of those words reveals why petitioners are so allergic to them.

The statutory provision in question has three clauses. It provides that, in the absence of an express transfer of any rights in a freelance article, the publisher of the collective work to which the article has been contributed is presumed to have acquired a privilege of reproducing and distributing the article only in one of the following ways: as part of

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30 For copyright cases *generally* supporting respondents' position, petitioners have to search no further than their own brief. *See* Pet. at 23-24.

(1) "that particular collective work",
(2) "any revision of that collective work," and
(3) "any later collective work in the same series."

17 U.S.C. § 201(c)(emphasis added).

Where a legal question is governed by an express provision of a statute and that provision has a plain, obvious and unmistakable meaning, it is the words of the statute that govern and not case law or general principles. *Damarest v. Manspeaker*, 498 U.S. 184 (1991); *Estate of Cowan v. Nickols Drilling Co.*, 505 U.S. 469 (1992); *Metropolitan Stevedore v. Rambo*, 515 U.S. 291 (1995); *Landreth Timber Co. v. Landreth*, 471 U.S. 681 (1985). The Second Circuit had no trouble understanding the plain meaning of this section.

It explained: "The first clause sets the floor, so to speak, of the presumptive privilege . . .". "The second clause expands on this . . ." "Finally, the third clause sets the outer limit or ceiling on what the Publisher may do . . ." (10a).

Petitioners, however, unable to stand on the floor, and discontented with the "outer limit or ceiling," shoot for the stars. Alluding to their self-appointed status as guardians of the national archives and the devastating consequences they claim for their self-imposed remedy, they argue that the stars can be found *between* the statute's floor and its ceiling. Their interpretation does violence to the language of the statute. Their policy arguments should be aimed not at this Court, but at Congress.

The statute fixes the "outer limit" of the republication rights of the owner of copyright in a collective work at "a later collective work in the same series." Congress added the third clause of § 201(c) to make it absolutely and unmistakably clear that the author of the collective work to which a freelance article is contributed cannot include that contribution "'in a new anthology or an entirely different magazine or other collective work,' i.e., in later collective works *not* in the same series. H.R. Rep. No. 94-1476, at 122-23 (1976),

reprinted in 1976 U.S.C.A.A.N. 5659, 5738." (11a)(emphasis added).[31]

To interpret the second clause of § 201(c)("any revision of *that* collective work"), as petitioners attempt to do — as being so broad that it encompasses electronic databases containing billions of articles from hundreds of thousands of different magazine and newspaper issues — would require the interpreter to read *"that"* collective work to mean *"numerous"* collective works or *"any and all"* collective works. Such an interpretation, in addition to defying the English language, would render the third clause of § 201(c) superfluous, and the limitation it enforces, meaningless.

B. The Statute As A Whole

In the final analysis, the construction that the Second Circuit has given § 201(c) is not only its plain meaning, but also its only possible meaning. The outcome-determinative construction that petitioners are urging upon the Court would give them far-reaching rights in the electronic medium that they cannot claim and have never dared to claim in print — i.e., the right to take scissors to their publications so that they can peddle copies of individual clippings at their newsstand. It would, consequently, conflict with the concept of 'media neutrality' and be irreconcilable with what petitioners have conceded is the intention of the statute as a whole. Pet. at 6 ("Congress enacted Section 201 (c) principally to overturn those decisions under the predecessor Copyright Act of 1909 holding that publishers could exploit freelance authors' contributions *apart* from the rest of the collective work.") (emphasis in the original).

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31 As the District Court recognized, this meant that "[t]he New York Times, for instance, cannot sell a freelance article to be included in *Sports Illustrated*." (77a).

CONCLUSION

Purporting to champion media neutrality, petitioners ask this Court to license their electronic shears and newsstand to sell respondent's articles as stand-alone works, or as part of user-defined anthologies. Arguing that the new technologies make them de facto curators of the national archives, they threaten to raze them if the Court does not issue the license. They point to a heap of used car parts and argue that they are, in fact, revised Mercedes Benzes.

They stand, as they must, on a provision of a statute enacted by Congress which they disdain to discuss. They imply that should the Court peek at the statute, it will find that restrictive words like "that" and "that particular" and "same series" mean "any" and "all" and "something like." They urge the Court to stand with them, gazing at the stars, and to pretend that Polaris can be found somewhere between the floor and the ceiling. In this case, it lies in 17 U.S.C. § 201(c), and the principle that courts must interpret the law consistent with its plain language.

Petitioners' insistence that they are entitled to be exempted from virtually all the relevant norms — from those that govern statutory construction to those that govern the exercise of this Court's powers of discretionary review — must be rejected. They do not come before the Court in this case as the representatives of a powerless or oppressed minority nor, indeed, to defend against encroachments on the First Amendment, but as merchants seeking to legitimize and perpetuate a windfall. They have presented no reason why they should not be bound by the same norms and procedures that are applied to other, similar litigants who must await entry of judgment, hearing on damages, direct appeal and the development of a body of law in various Circuits before seeking review by this Court. The sky will not fall if they do.

For the reasons stated, respondents Garson and Robbins respectfully submit that certiorari should be denied.

Dated: October 2, 2000
New York, New York

Respectfully submitted,

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No. 00-201

IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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STATEMENT PURSUANT TO RULE 29.6

Petitioners refer the Court to page ii of the Petition.

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Robert L. Stern & Eugene Gressman, *et al.*, SUPREME COURT PRACTICE (7th ed. 1993) 4

1. The Irreparable Harm Threatened By The Decision Below. The Second Circuit's judgment, as a practical matter, requires the destruction of hundreds of thousands of electronically stored articles, spanning decades. Whether the deletions occur voluntarily, or eventually are court-ordered, they will occur on a massive scale. Respondent Tasini, of the National Writer's Union ("NWU"), himself guaranteed this response when he promised a "tidal wave of lawsuits" and warned virtually every newspaper in the country that it sits on a "financial ticking time bomb." *See* Pet. 14-15. In fact, at least 6 *Tasini*-type actions already are pending, Garson Br. 14, including a nationwide class action composed of freelancers holding copyrights since 1977. *See* Complaint in *Posner v. Gale Group, Inc.*, 00-CIV-7376 (S.D.N.Y., filed Sept. 28, 2000).

The inevitability of these deletions, unless the Second Circuit's erroneous decision is reversed, is a direct consequence of the substantial remedies available to plaintiffs under the Copyright Act[1] and the even more substantial remedies available for willful infringement.[2] No rational publisher can assume risks of such magnitude, as noted by: **(1)** an *amicus* brief by five Pulitzer Prize winning historians (some of them freelance writers), who find the completeness and integrity of electronic archives vital to their research and have urged the Court to review the Second Circuit's decision; **(2)** an *amicus* brief by publishers

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1. Remedies include the nationwide injunction, 17 U.S.C. § 502(b), sought by respondents. In addition, 17 U.S.C. § 504(a), (b) provides for actual damages *plus* the profits of the infringer, computed on the basis of gross revenue, with the defendant bearing the burden of demonstrating deductible expenses and the elements of profit attributable to factors other than the copyrighted work. Alternatively, if copyright in the work was properly registered statutory damages of up to $30,000 per infringement may be awarded. 17 U.S.C. §§ 412, 504(c).

2. Damages can reach $150,000 per work. 17 U.S.C. § 504(c). *See N.A.S. Import, Corp. v. Chenson Enters., Inc.*, 968 F.2d 250, 253 (CA2 1992) (reversing non-willfulness finding where defendant continued to distribute infringing handbags after letter saying it would cease doing so).

of hundreds of newspapers and magazines, including some of the most influential in the nation; and (3) the business and legal press.[3] Consistent with this Court's practice of reviewing copyright decisions that so dramatically upset settled expectations, *see Sony Corporation of America v. Universal City Studios*, 464 U.S. 417 (1984), review should be granted to prevent this irreversible, nationwide harm.

Respondents prefer to focus on the purportedly small share of articles written by freelancers, Garson Br. 10, but do not deny that the loss to NEXIS alone could number in the hundreds of thousands of articles, *see* Pet. 15 n.8. Furthermore, as the historians make clear, "[t]he omission of these materials from the electronic databases, for any reason on a large scale or even an occasional basis, undermines the principal benefits that electronic archives offer historians — efficiency, accuracy and comprehensiveness." Burns *et al. Amicus* Br. 11-12.

Nor can respondents contest the sweep of the articles affected. At risk are book reviews, stories sent in by stringers, letters to the editor, Op-ed pieces, and unsolicited articles sent in by public officials and other citizens, *see* Pet. 15 n.8 — even student notes in law reviews. Advance Publications *Amicus* Br. 6. Moreover, entire discs containing freelance articles would have to be removed from the market. Pet. 13. Any substitute CD-ROMs (Garson Br. 18 n.21) would be useless as a historical

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3. *See, e.g.*, Mark S. Kaufman, *Didn't I Read That Somewhere: The Practical Impact of* Tasini v. The New York Times, 9 NYSBA 3, 8 (Spring/Summer 2000) ("It is unlikely that publishers will be able to dig into the past and collect transfers from each freelance author in order to make their historical issues compliant with *Tasini*. As a result, the public will not have access to historical issues of periodicals — except perhaps in libraries."). *See also* Ryan v. Carl *Copyright Suit Settled But Spawns Additional Litigation*, Online Libraries & Microcomputers, Sept. 1, 2000 (noting "a significant loss of content" and that research and scholarship "could be badly damaged."); Pet. 14 (quoting from articles documenting the adverse impact of *Tasini*, not only on scholars, but also on millions of consumers).

archive because they would contain gaps ranging from several days' worth of publications to several *years*'. *See* Declaration of Kenneth A. Tillman, attached to Motion for Stay of Mandate ¶¶ 7, 10, 13 (lodged by petitioners); *see also* Pet. 13.

Entire industries have been built over the last two decades on the expectation, based in Section 201(c), that publishers may reproduce their entire periodicals in the electronic copies now held to be illegal. Respondents speculate that those businesses can continue if publishers negotiate appropriate compensation arrangements with freelancers. Garson Br. 18; Tasini Br. 14-15. This ignores the practical impossibility of locating and negotiating with thousands of individual freelance authors, their transferees in interest, and/or their heirs in the face of class action litigation regarding the use of articles *already published* in electronic copies. The retroactive nature of the problem, as well as the sheer logistical difficulties inherent in the process, are confirmed by undisputed affidavits (*see* Pet. 15 n.8) that respondents decided not to contest in the court of appeals. Garson Br. 17 n.20; Tasini Br. 8. Respondents' proposed Publication Rights Clearinghouse (Tasini Br. 15 n.6) is no solution. Freelancers, by definition, are not collectively organized and the NWU is not recognized by anyone as a collective bargaining agent.[4]

2. There Is No Need To Await The Completion Of The Remedy Phase. The Second Circuit remanded with directions for judgment to be entered for respondents. Pet. App. 22. Whatever remedial decree ultimately may issue, it cannot affect the question presented by the petition. The court of appeals'

4. Respondents suggest, even under petitioners' construction of Section 201(c), that publishers still must contact freelancers whose contracts did not expressly refer to the right to make electronic copies. Tasini Br. 9-10. Not so. Under the proper reading of Section 201(c), publishers are presumed, in the absence of an express transfer to the freelancer, to be able to make electronic copies of their collective works. Contracts like those entered into by Whitford are the belt to the suspenders of Section 201(c), and a correct interpretation of Section 201(c) obviates the need to contact such freelancers.

interpretation of Section 201(c), therefore, is properly before this Court. *See* Robert L. Stern & Eugene Gressman, *et al.*, SUPREME COURT PRACTICE § 2.2, at 40 (7th ed. 1993) ("[T]he Court has granted certiorari to review an important question of law even though presented by a judgment of a court of appeals denying a motion to dismiss or remanding a case for a new trial"). For example, in *Feist Publications v. Rural Telephone Service Co.*, 499 U.S. 340 (1991), this Court granted certiorari even though the lower court judgment was restricted to liability and provided that "the proper measure of damages shall be determined in the future." 663 F. Supp. 214, 220 (D. Kan. 1987).

Tellingly, although respondents cite the *Posner* class action as arising in the Northern District of California (Garson Br. 14-15 n.18), in fact it was voluntarily dismissed in California and refiled in the Southern District of New York, with the NWU added as a party, on September 28, 2000. This refiling illustrates why further "percolation" would be pointless and harmful.[5] The Second Circuit's decision in *Tasini* effectively imposes a national rule not because the Second Circuit is a respected copyright court and many publishers have offices in New York, but because publishers of note, especially those that provide electronic copies of their periodicals, have sufficient contacts with New York to permit suit there, giving the Second Circuit's decision de facto national application. Any freelancer seeking nationwide relief need only sue in New York, as part of the cottage litigation industry already emerging there. Thus, the *Posner* complaint alleges that the defendants (none of whom is alleged to be a New York corporation) "have engaged in substantial acts of infringement" in New York and "are subject to personal

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5. *Posner* plaintiffs, which include the NWU, have urged that all the class action suits by freelance writers be multidistricted in New York, specifically to take advantage of the Second Circuit's holding. Joint Response of Authors Guild and *Posner* Plaintiffs to Motion for Transfer and Consolidation of Actions. *In Re Literary Works in Electronic Databases Copyright Litigation*, MDL No. 1379 (J.P.M.L. Oct. 6, 2000).

jurisdiction" there. Complaint in *Posner v. Gale Group, Inc.*, 00-CIV-7376, ¶ 28 (S.D.N.Y.) (filed Sept. 28, 2000).[6]

3. Respondents' Merits Arguments Underscore The Importance Of The Question Presented. On the merits, respondents admit that this is "a case of first impression," but insist that this Court will be able to ascertain the answer as a matter of "a routine exercise in statutory construction." Garson Br. i; Tasini Br. 6, 10-11. They echo the Second Circuit's holding that electronic publishing is akin to "sell[ing] a hard copy of an Author's article [by itself] directly to the public," Pet. App. 13a, or cutting an individual article out of newspaper and distributing it as a flyer on the street. Garson Br. 7; Tasini Br. 4.

Far from supplying a reason to deny certiorari, this illuminates the importance of the substantive copyright issue presented and the ability of this Court, through the familiar exercise of statutory construction, to resolve an open legal question of profound national significance. As with many other copyright cases this Court has heard, this case has a

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6. Respondents suggest review is inappropriate because petitioners raised the possibility of other defenses, including those relating to substantial non-infringing uses, in the context of seeking on rehearing a change to the Second Circuit's judgment. Tasini Br. 5 n.3, 6, 14. In fact, those defenses provide a further reason to grant review. The Second Circuit's denial of rehearing and its instruction to enter judgment for respondents puts it in direct conflict with the view of the United States Department of Justice as an *amicus* in *Matthew Bender & Co. v. West Publ'g Co.*, 158 F.3d 693, 706-07 (CA2 1998), *cert. denied*, 526 U.S. 1154 (1999), which stressed the important distinction between a "direct" versus "contributory" infringement analysis. It is in connection with the latter analysis, which the Second Circuit should have employed, that petitioners sought to assert their defenses. Now, without having had the opportunity to assert this distinction (which this Court and the Department of Justice have repeatedly emphasized), countless publishers nationwide will be forced to insist that their licensees delete literally tens of thousands of articles or, worse still, entire collective works. Pet. 11-12.

fully-developed summary judgment record.[7] The district court below observed that "there can be no dispute, and there has been no dispute, with respect to [the] critical facts." Pet. App. 100a. This case involves a discrete, but vitally important, matter of statutory interpretation, and it is the subject of thorough analysis in the district court, whose reasoning has been adopted by two other district courts. *See Greenberg v. National Geographic Soc'y*, No. 97-3924-civ, 1998 U.S. Dist. LEXIS 18060 (S.D. Fla. May 14, 1998); *Ryan v. Carl Corp.*, 23 F. Supp. 2d 1146 (N.D. Cal. 1998).

This Court should grant review to consider whether the creation of an electronic copy, with its dramatically enhanced indexing and search capabilities, so changes the underlying collective work that it no longer exists once digitized. According to the Second Circuit, that electronic copies of articles are individually searchable and retrievable, Pet. App. 14a-15a — *i.e.*, the very quality that gives electronic copies their utility — means that electronic databases cannot qualify as "revision[s]." It therefore unexpectedly penalizes publishers for having invested in the development of digital technologies that the 1976 Copyright Act was intended to promote. This Court should review that holding now, for it rests on a patently incorrect statutory interpretation.[8] Otherwise, all forms of electronic

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7. *See Mills Music, Inc. v. Snyder*, 469 U.S. 153 (1985) (granting certiorari, even in the absence of a circuit split, in case involving interpretation of Copyright Act in summary judgment posture); *see also Campbell v. Acuff-Rose Music*, 510 U.S. 569 (1994).

8. Section 201(c) permits publishers to make *"any"* revision. That plain language does not justify the Second Circuit's characterization of "that particular collective work" as a "floor," "any later collective work in the same series" as a "ceiling" and the penultimate category — "any revision" — as a middle level that must be less expansive that the "ceiling" category. Not only is there no rule of statutory interpretation that requires Congress to list phrases in a statute in any particular order, these three clauses represent three distinct publishing practices considered by Congress. The first clause means the issue of the

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reproductions and distributions will be at risk of unanticipated infringement claims and the threatened "tidal wave" of litigation.

Respondents caricature the process of making electronic copies as applying "shears" to print editions, and they refer to electronic copies as a collection of spare car parts at a junk yard (as compared to the whole "Mercedes Benz" of the print edition). Garson Br. 7, 24-25, 28; Tasini Br. 11-12. Petitioners, however, do not "cut out" individual articles with "electronic scissors." As the district court found, Pet. App. 29a, 30a, the publishers provide NEXIS and UMI with the complete daily editorial contents of their periodicals *in precisely the same format as they are transmitted to the publishers' printers*. The district court did *not* find that any of the defendants "store and display individual articles, not collective works." Garson Br. 4. (What the respondents cite as the district court's *findings* (*id.*, citing Pet. App. 54a, 102a) are in fact the district court's description of respondents' arguments.) Rather, the district court found that the electronic copies preserve the "publishers' protected original selection of articles, a defining element of their periodicals." Pet. App. 70a. "[T]he electronic

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magazine, newspaper or encyclopedia in which the article is first published. "Later collective work in the same series" means that "a publishing company could reprint a contribution from one issue in a later issue of its magazine," H.R. Rep. No. 1476 at 122 (1976) and is necessary because that later issue could not be considered a "revision" under any interpretation. That leaves the "any revision" clause to stand on its own, without the ceiling of the third clause that the Second Circuit erected over it. An example of a "revision" is "reprint[ing] an article from a 1980 encyclopedia in a 1990 revision of it." *Id.* Under the Second Circuit's reading of Section 201(c), however, this revision, specifically approved by Congress, would be through the roof of the third clause and therefore infringing. This legislative history, briefed but ignored by the Second Circuit, is exactly on point. *See* House Comm. on the Judiciary, 89th Cong., Copyright Law Revision, Part 5 at 149 (1965) (included as Exhibit J4 to defendants' motion for summary judgment lodged with the Clerk of this Court).

technologies [also] tag those articles in such a way that the publisher defendants' original selection remains evident online." *Id.* 71a. "NEXIS and UMI's CD-ROMs carry recognizable versions of the publisher defendants' newspapers and magazines." *Id.* 73a.[9] If the print copy is a Mercedes Benz, therefore, so too is the electronic copy. *See* Pet. App. 71a n.14 (district court's express refutation of "auto junkyard" analogy).

The point is driven home by respondents' insistence that "[a]bsolutely nothing in the Second Circuit's opinion precludes" publishers from creating "replicas of their publications — or, in essence, an electronic microfilm." Garson Br. 8-9. Of course, the image-based CD-ROM copies in this very case, General Periodicals OnDisc (GPO), involve exactly that: a "replica," in which (as the district court found) "the entire *Sunday Magazine* and *Book Review* are photographed producing complete images of these periodicals. Articles appear precisely as they do in print, complete with photographs, captions, and advertisements." Pet. App. 31a. Yet the Second Circuit expressly held that GPO infringed and was "at best a new anthology." *Id.* 17a. This shows that the Second Circuit's judgment is *not* limited in the way respondents claim and that respondents cannot defend the actual

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9. *See also* Pet. App. 69a (noting the "highly creative endeavor" of selection); *id.* 72a (absence of photographs, captions, and page lay-out is "of only peripheral concern"); *id.* 75a n.16 ("NEXIS and the CD-ROMs do not fail to reproduce versions of defendants' periodicals; they simply store those versions within something akin to an electronic research library"); *id.* 95a ("this original article selection, if preserved . . . would render that creation at least a recognizable version of the hard copy periodical"); *id.* 96a n.6 ("the electronic systems do not destroy the publishers' collective works; those systems make revisions of those works available — for traditional purposes — in new and advanced ways"); *id.* 97a ("the electronic systems are substantially similar to their hard copy counterparts, not merely as a technical matter, but in such a way as to preserve the 'basic character' of those periodicals"); *id.* 103a ("In whatever way plaintiffs' articles are accessed and displayed, they are preserved . . . as part of revised versions of the periodicals in which they initially appeared").

decision below. Rather, they defend a different and more modest judgment, nowhere precisely defined, that respondents, for present purposes, understandably wish had been rendered.

4. The Judgment Below Conflicts With Decisions Of This Court And Lower Courts. Petitioners do not seek "different rules" for the electronic medium. Garson Br. 7; Tasini Br. 12-13. Rather, petitioners seek to apply familiar copyright principles to electronic databases in a medium-neutral way. The Second Circuit did not do that. It defined the collective work by examining how the electronic copies might be used by third parties (to search for and retrieve individual articles), not by examining whether the electronic copies retained the editorial selection of the printed version. This conflicts directly with *Sony*, *Feist* and all of the Circuits correctly applying those cases. *Sony* unequivocally held that "[t]hird-party conduct [is] wholly irrelevant in an action for direct infringement." 464 U.S. at 446. Yet the Second Circuit's decision turns entirely on the ability of end users to access particular articles according to individualized and unknowable search criteria. That respondents did not even plead a contributory infringement claim based on end-user conduct, Garson Br. 3 & n.6, 22; Tasini Br. 11, makes the Second Circuit's decision even more baffling.[10]

Similarly, the holding that "new" works are created by the mechanical process of transferring content from a print to electronic medium is a direct attack on the originality requirement addressed in *Feist*, 499 U.S. at 362-64, and inconsistent with the practice of the U.S. Copyright Office in

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10. Respondents claim that *Sony* is distinguishable because this case "involves the defendants' reproduction and sale of the infringing works themselves. *Sony* only concerned sale of the 'means.' " Garson Br. 22. That claim founders on the same shoals as the rest of respondents' theory. Electronic copies that preserve the selection of the original collective works are not themselves inherently infringing — except by virtue of the Second Circuit's erroneous holding that the capacity of end users to search for and retrieve individual articles renders the databases ineligible for status as "revisions." The Second Circuit's focus on the conduct of end users creates a clear conflict. Pet. 22-26.

refusing to register automated databases consisting solely of data transferred from hard copy to computer storage. Pet. 27.

Further, the decision conflicts with the bedrock principle of media neutrality embodied throughout the fundamental definitions of the Copyright Act. All the differences between the electronic copies that appear in NEXIS and the print copies identified by the Second Circuit as creating new infringing works — the exclusion of graphics and page layouts, and the ability to search articles by keywords, Pet. App. 15a-16a — are dictated by the form of the "copies" of the "work" in dispute. 17 U.S.C. § 101. Yet even these differences are not present in GPO, a "copy" of a "work" the Second Circuit, under its medium-specific approach, held to be infringing, *id.* 17a — a holding that respondents Garson and Robbins do not even defend.

Respondents admit that a square circuit conflict cannot be expected. Garson Br. 25. Indeed, recent copyright cases in which this Court has granted review have involved conflicts in principle, not square conflicts in holdings. Pet. 10 n.5. In any event, the district court decision in *Greenberg* presents a square conflict, as respondents concede. Tasini Br. 7-8 n.4. The instant case, with its complete array of parties, full complement of legal issues, and fully developed record, is the best vehicle for this Court's review.[11]

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11. No amount of percolation will change *Tasini* as the best vehicle for Supreme Court review. Every issue that is in *Greenberg* is in *Tasini*, and then some. *Tasini* offers a complete array of publishers, and a mix of text-only and image-based electronic copies, whereas no database providers are parties to *Greenberg* and the only CD-ROMs at issue in *Greenberg* are image-based products that respondents in *Tasini* now contend do not infringe. Garson Br. 8-9. Finally, because *Greenberg* relied primarily on the *Tasini* decision to grant summary judgment, the record in that case is not as fully developed as the record here.

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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

—v.—

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR ADVANCE PUBLICATIONS, INC., A.H. BELO CORPORATION, BUENA VISTA MAGAZINES, INC., THE COPLEY PRESS, INC., COX NEWSPAPERS, INC., DONREY MEDIA GROUP, DOW JONES & COMPANY, INC., THE E.W. SCRIPPS COMPANY GANNETT CO., INC., HACHETTE FILIPACCHI MAGAZINES, INC., THE HEARST CORPORATION, JOURNAL COMMUNICATIONS INC., KNIGHT RIDDER, MACROMEDIA INC., MAGAZINE PUBLISHERS OF AMERICA, INC., McCLATCHY NEWSPAPERS, INC., NEWS AMERICA INC., NEWSPAPER ASSOCIATION OF AMERICA, PHILADELPHIA NEWSPAPERS, INC., PRIMEDIA INC., VILLAGE VOICE MEDIA, INC., THE WASHINGTON POST COMPANY, AND ZIFF DAVIS MEDIA INC., *AMICI CURIAE*, IN SUPPORT OF THE PETITION

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QUESTION PRESENTED

Is the publication of newspapers and magazines in digital and other non-print formats, in addition to traditional print formats, privileged under 17 U.S.C. § 201(c), or does it infringe the copyrights held by contributing freelance authors?

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INTEREST OF THE *AMICI CURIAE*[1]

This brief *amici curiae* in support of the petition is submitted on consent by Advance Publications, Inc., A.H. Belo Corp., Buena Vista Magazines, Inc., The Copley Press, Inc., Cox Newspapers, Inc., Donrey Media Group, Dow Jones & Company, Inc., The E.W. Scripps Company, Gannett Co., Inc., Hachette Filipacchi Magazines, Inc., The Hearst Corporation, Journal Communications Inc., Knight Ridder, McClatchy Newspapers, Inc., Macromedia Inc., Magazine Publishers of America, Inc., News America Inc., Newspaper Association of America, Philadelphia Newspapers, Inc., PRIMEDIA Inc., Village Voice Media, Inc., The Washington Post Company, and Ziff Davis Media Inc. (the "*amici*"). For the reasons discussed below, *amici* urge that the Court grant the writ and hear this case on its merits.

Amici are newspaper and magazine publishers, who together publish hundreds of newspapers and magazines, including some of the most influential and useful periodicals in the nation. Many, if not all, of the *amici* have published issues of newspapers or magazines that they have made available on the NEXIS service or other databases, CD-ROMs, microfilm or electronic media, to researchers, scholars, and the general public. These issues may contain contributions from freelance contributors who have not made "an express transfer of the copyright or of any rights under it" under 17 U.S.C. § 201(c) for such electronic (or non-paper) publication. The continued availability and integrity of their publications through on-line distribution or through media such as CD-ROM therefore depends in large measure on the proper construction of 17 U.S.C. § 201(c).

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[1] No counsel for a party authored this brief in whole or in part, and no person or entity other than the *amici curiae*, their members, or their counsel, made a monetary contribution to the preparation or submission of this brief. The individual *amici* are identified in the addendum attached hereto.

Amici have a direct and compelling interest in the right afforded them under § 201(c) to publish their publications in digital formats available online and through the Internet, and in such other media as microfilm and CD-ROM, for use by researchers, scholars and the public at large.

SUMMARY OF ARGUMENT

Amici submit this brief to focus the Court's attention on the enormous extent to which the Second Circuit's decision will restrict public access to the national historical record compiled by the nation's newspapers and magazines. With a great sense of urgency, *amici* show here that this Court's review is required, because, unless reversed, the Second Circuit's decision will harm the public interest underlying copyright law gratuitously — without any discernible benefit to the public interest underlying copyright law, or even to freelance writers in general.

Over the past two and a half decades — with the publication of back issues first on microfilm and microfiche, and then in digital form with the advent of services like NEXIS and media like CD-ROMs — back issues of newspapers and magazines have become easier to access, easier to use, and freed from physical deterioration. In reliance on these new archival media, public and university libraries have substantially reduced their holdings in physical copies of newspapers and periodicals.

The Second Circuit's decision threatens to degrade this valuable public resource immediately and severely. The boundless breadth of the decision appears, astonishingly, to mean that storage of any given issue from any given periodical with issues of other periodicals, or even with other issues of that same periodical — in a database like NEXIS, or on a CD-ROM — precludes a publisher from relying on 17 U.S.C. § 201(c) with respect to every individual article in which the publisher does not own the copyright. The decision even threatens the microfilm and microfiche archives on which the

public had come to depend (and about which freelancers had not complained) before the advent of electronic media.

As a practical matter, the Second Circuit's decision will, at a minimum, lead most publishers to delete freelance contributions from the electronic versions of their old newspapers and magazines on a wholesale basis due to the difficulty and expense of locating freelance contributors and obtaining their authorization for republication in those forms. The modest phrase "freelance contributions," moreover, covers a large territory: for newspapers, for example, it extends past such traditional "freelance" works as travel pieces and book reviews to news stories sent in by stringers, letters to the editor, Op-ed pieces, and other articles sent in "over the transom" by political officials and public spirited citizens, among others.

Whether the electronic publication occurred on NEXIS, on some other service, or in some other medium (such as optical disk or microfilm), the Second Circuit's judgment has the same consequence: it will be virtually impossible as a practical matter, and grossly inefficient, for publishers to find each and every freelance writer whose work is included in an archived edition (usually without the benefit of any delineation of who was an "employee" and whose work would therefore be work-for-hire) and to negotiate over whether and at what terms to license the retention of that contribution as an integral part of the collective work that has been archivally republished in its original or revised form.

Most publishers' continued ability to make their collective works accessible electronically with any kind of completeness and integrity depends, therefore, on this case and the Court's disposition of the petition for certiorari. If the Second Circuit's decision stands, existing comprehensive archives will not.

Unless this Court intervenes, historians, researchers, scholars, journalists, and society at large will no longer have meaningful access to the rough draft of the nation's history which back issues of the nation's newspapers and magazines represent. A generation of journalists, students and researchers

will have to re-learn the old method of traveling to a brick-and-mortar library or a newspaper morgue, if they are lucky enough to live near one that still exists and retains paper archives of the magazines and newspapers they want to review. The Second Circuit's decision does a tremendous disservice to publishers, writers, and the public without any compensating benefit. A writ of certiorari should issue, and the decision below should be reversed.

ARGUMENT

THE COURT SHOULD GRANT THE PETITION BECAUSE THE SECOND CIRCUIT'S DECISION REJECTING THE COMMON-SENSE VIEW THAT REPUBLISHING AN ELECTRONIC VERSION OF A NEWSPAPER OR MAGAZINE IS MERELY A REVISION OR REPRINTING OF A PRINTED VERSION WILL GRIEVOUSLY AND GRATUITOUSLY DISSERVE THE PUBLIC INTEREST.

1. Newspapers and magazines are written for today, but valuable for tomorrow. The economic cost of producing The Washington Post is borne by its subscribers and advertisers on any given day; but it has a continuing importance to the historians and researchers and students who examine it ten, thirty, or seventy years from its publication date. That is generally true of the works of *amici* and other periodical publishers; they write for today, but their daily, weekly or monthly editions are used in different ways by the public for years after first publication. The maintenance, completeness, integrity, and accessibility of the archive of the nation's publications is a valuable public asset.

For many years, access to the archived publications of the American press, broadly defined, depended on the work of libraries, the willingness of publications to maintain "morgues" and the ability of users to physically travel to and use those libraries and morgues. With the advent of new technologies — on-line access, whether through the NEXIS service, or the Internet, and microfilm, microfiche, and CD-ROMs — the physical library has been replaced by the electronic archive, and old issues are as a result far easier to access and to use. The historian, student, or journalist who wants to see The New

York Times of December 7, 1941, or the researcher wanting to use Time Magazine to see how the anti-war movement in the 1960s gained momentum, or the social scientist wanting to review newspapers in Iowa to see how communities in the upper Midwest reacted to the outflow of the young to the coasts in the '80s and '90s, need no longer travel to New York or Des Moines. They can access the NEXIS service, or obtain a set of CD-ROMs, and work quickly, conveniently, and efficiently. The search engines that allow users to locate individual articles within these electronic copies are simply automated and more efficient versions of the Readers' Guide to Periodicals.

2. The Second Circuit's acceptance of respondents' overly restrictive reading of section 201(c) of the Copyright Act of 1976 undermines this important function and consigns the public to paper copies of publications as the only definitive archive. That result — in an age when collection of paper archives is increasingly uncommon, when electronic storage and archiving has become standard, and in the face of the Congressional decision in 1976 to make the copyright law media-neutral — is to the practical advantage of no one, and would greatly harm the public interest. Copyright law has always protected publishers who traditionally preserved paper-printed versions of their newspapers and magazines from claims of copyright infringement by freelance writers. The Second Circuit, however, would deprive most publishers of that same protection to the extent that they choose to rely on electronic copies.

According to the Second Circuit, publishers of newspapers and magazines risk infringement liability if they publish or republish their works (containing freelance contributions) through NEXIS or comparable means, unless they first withdraw freelance articles before delivering their copy to NEXIS or comparable services or expressly acquired republication rights — even though *amici* and, the record shows, defendants, had for many years published in those additional media without complaint. Under the decision below, for example, electronic publication of law reviews, which typically

include student notes (for which written licenses expressly covering electronic rights were unlikely to have been obtained), is not privileged under § 201(c), and publishers who want to avoid liability and the NEXIS service must either purge from the published editions on NEXIS all contributions of non-employees (*i.e.*, usually the complete text of law reviews), or find and obtain consents from all past authors of student notes or of any other articles and comments for which they did not obtain appropriate express transfers. And just as pieces written by authors who cannot be located will likely be withdrawn from electronic archives, so too CD-ROMs containing back issues will likely be destroyed.

Publishing practices generally make it impractical, if not impossible, to go back and obtain authorization from freelance writers of their individually copyrighted contributions to newspapers and magazines now stored in electronic archives. Compensation for such pieces was paid when the pieces were published, and most newspapers and magazines had no need to retain records of the whereabouts of their freelance contributors. Even if records were available (which they generally are not), the chance that writers of prior decades remain at the same address is small. The impracticality of locating all freelance contributors potentially affected by the Second Circuit's opinion, much less negotiating an appropriate license, is further complicated by the possibility that fractional interests in the copyrights at issue have vested in the authors' heirs and assigns.

Nor is there any practicable way to negotiate the "appropriate" share of the publishers' revenues for the Jane Doe who wrote a piece for the travel section of The Los Angeles Times or the Bergen Record in 1981. Her article is now available on NEXIS, but because NEXIS does not collect or maintain data on whether particular articles have been downloaded or printed, no one knows if it has ever been accessed, and no one knows, or can know, what percentage of downloads or printouts by users have been for freelance work (as distinguished from staff writer work). If Jane Doe could be

found, and if she insisted on payment, it would be impossible reasonably to assess the value to her of the right to retain her work in the copy of that issue in the archive.

Consideration of the most widely used archival service, NEXIS, which does not compensate publishers for use of their archived works on a "per-hit" or "per-download" basis, illuminates the basis for concern that the likely result of the Second Circuit's judgment will likely be a decision by publishers to purge all works not written by readily identifiable staff writers, *not* any increased compensation to freelance writers for previously written works — and an over-broad purging at that, with doubts resolved *against* retaining articles of uncertain parentage (was Doe an employee or freelancer in 1981?). Because NEXIS pays publishers an annual sum for electronic republication, there is no economic benefit for publishers (or NEXIS) to retain freelance contributions in an electronic archive, but enormous risk of damage liability under 17 U.S.C. § 504 for not withdrawing content that might conceivably be owned by freelance contributors. The risk is particularly great because the Second Circuit predicated direct infringement liability based merely on the delivery of a newspaper or magazine to NEXIS (or the republication of a back issue on an optical disk or other storage medium), regardless of whether the freelance writer's work was subsequently requested, accessed, or read by anyone at all. Under the decision below, a publication infringes freelance contributions merely by duplicatively publishing a given issue on the Internet (or in some other non-print format) joined with copies of other issues or publications, even if no person has ever downloaded or printed the work of those contributors.

Given these circumstances, the impact of the Second Circuit's decision is lose-lose-lose:

- *Publishers* lose by having to allocate scarce resources to identifying and stripping freelance materials from existing databases, and lose through the diminution of the public benefit they have been making generally available.

- *Freelancers* lose, since those who would have chosen to have their works remain online without further compensation will nonetheless have their works eliminated from electronic databases, depriving them of intangible benefits of continued access and the "free publicity" it offers. That most freelancers might prefer continued inclusion in electronic databases, or on CD-ROM, etc., is of no moment: their works will still be purged, because transaction costs will prohibit most if not all publishers from pursuing the impractical task of finding and striking bargains with freelancers over contributions dating back decades, for which there is no discernible economic value.
- Most importantly, *the public* will lose its convenient access to and attendant ability to search through comprehensive and genuine archived newspapers and magazines.

Moreover, the decision below would likely make matters *worse* than they were before the advent of electronic media. During the past few decades, as a result of the availability of services like NEXIS, and new storage media like CD-ROMs, many libraries have cleared their shelves of their paper-printed archives of periodicals and reduced their ongoing archival efforts. Storage costs and the fragility of newsprint have spurred increasing reliance on electronic archives, whose accessibility and permanence have been enormously beneficial. The Second Circuit opinion therefore threatens not only the integrity of the historical record, but as a matter of practical fact, the accessibility to the historical record too.

Nor is it any answer to say that the decision below only affects New York, and that the Court should wait to see if conflict develops before granting review. Because New York is the center of the magazine publishing and advertising industries, and most publishers are arguably subject to suit in New York, the Second Circuit's judgment effectively establishes a national rule for newspaper and magazine publish-

ers (and their existing electronic publications) throughout the nation, which do not have the luxury of waiting to see whether other circuits, including those where their principal offices may be located, reach different conclusions.

The increasing accessibility of back issues in new media has undeniably advanced copyright's goal of increasing the store and availability of writing. *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) (aim of copyright law is "promoting broad public availability of literature, music, and the other arts"). Historians, researchers of various types, students, and curious citizens are able as never before to access back issues, not just of their own home town papers, but of a wide range of newspapers and magazines throughout the nation. The Second Circuit's decision would destroy that achievement, and turn a comprehensive, accurate, national archive into a collection of local ones, riddled with holes. Publishers who strive for completeness and a faithful electronic record could be exposed to any holdout's whims, giving individual freelancers bargaining power out of all proportion to any real value in any individual work that may have no real public demand at all. The resulting "hole in history" would have a devastating impact on research and study.

If, as the Second Circuit has held, delivery of copies of newspapers and magazines containing freelance contributions to NEXIS (or to other services or archival media) infringes the rights of freelance contributors, then existing archives will likely be perforated, because the contributors cannot as a practical or economic matter be located, and because the risk from not deleting conceivably "infringing" articles far exceeds any economic benefits to publishers of retention. The value of existing complete electronic archives will be sacrificed to the Second Circuit's misreading of § 201(c).

Publishers should not be forced to degrade their public archives without this Court's careful review, which *amici* believe would lead to a far different result than that woodenly reached below. As this Court has repeatedly emphasized, the touchstone of copyright law is copyright law's overarching

purpose "to increase and not to impede the harvest of knowledge." *Harper & Row Publishers, Inc., v. Nation Enters.*, 471 U.S. 539, 545 (1985); *see also Berlin v. E.C. Publications, Inc.*, 329 F.2d 541, 543 (2d Cir. 1964) ("particular claims of infringement must occasionally subordinate the copyright holder's interest in a maximum financial return to the greater public interest in the development of art, science and industry").

Amici respectfully submit that the Second Circuit's decision retroactively allocating to freelancers rights for works previously created cannot be squared with copyright's purpose of "increas[ing] . . . the harvest of knowledge." The potential license fees were not necessary to induce creation of those works, and are so small, for any given work, that they cannot plausibly be said to have induced that or any further creation. But the liability ruling below will surely shrink the harvest of existing knowledge by making the complete historical archive inaccessible in any medium but print, if it exists at all.

CONCLUSION

Because the Second Circuit's decision threatens vital public interest in access to the complete national historical record as reported by the nation's newspapers and magazines and made available through such services as NEXIS or such electronic media as CD-ROMs and microfilm, the petition for a writ of certiorari should be granted.

Respectfully submitted.

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ADDENDUM

Advance Publications, Inc., directly or through its subsidiaries, publishes daily newspapers in 22 cities and business journals in 37 cities throughout the United States, as well as 18 magazines with nationwide distribution and numerous World Wide Web sites.

A H Belo Corporation is a media company with a diversified group of television broadcasting, newspaper publishing, cable news and electronic media assets. The Company's Television Group operates 17 broadcast television stations and four regional and local cable news channels. Belo's Publishing Division publishes *The Dallas Morning News*, *The Providence Journal*, and five other daily newspapers.

Buena Vista Magazines, Inc., a subsidiary of The Walt Disney Company, publishes the *FamilyFun*, *Disney Adventures*, and *Discover* magazines.

The Copley Press, Inc. publishes the *San Diego Union-Tribune* and other newspapers in California, Illinois, and Ohio, ranging from a small desert semi-weekly, to a large metropolitan daily, all of which have relied throughout their history on freelance contributors.

Cox Newspapers, Inc. (CNI) is a subsidiary of Cox Enterprises Inc. (CEI), a diversified media company. CEI publishes the *Atlanta Journal and Constitution*, much of the content of which is compiled, reproduced and distributed in various forms including microfilm, CD-ROM and on CIM's *AccessAtlanta* Web site. CEI and CNI subsidiaries publish 16 daily and 11 weekly newspapers in Colorado, Florida, North Carolina, Ohio and Texas, much of the content of which is compiled, reproduced and distributed in various forms, including microfilm, CD-ROM and on CIM local Web sites.

Donrey Media Group publishes 12 daily newspapers from North Carolina to Hawaii, including the Las Vegas, Nevada, Review-Journal. It also owns KOLO-TV, Reno, Nevada, and nine outdoor advertising companies.

Dow Jones & Company, Inc. publishes, *inter alia*, *The Wall Street Journal*, *Barrons* magazine, and other periodicals, and, through its Ottaway Newspapers, Inc. subsidiary, a number of daily and weekly community newspapers.

The E.W. Scripps Company operates, *inter alia*, 20 daily newspapers and United Media, a worldwide syndicator and licensor of news features and comics.

Gannett Co., Inc. is a news and information company that publishes 74 daily newspapers, including USA TODAY, and a number of non-daily publications, including USA Weekend, a weekly magazine. Gannett also owns 21 television stations and a national news service.

Hachette Filipacchi Magazines, Inc. publishes 28 consumer magazines in the United States, including *American Photo*, *Audio*, *Best Selling Home Plans*, *Boating*, *Car and Driver*, *Car Stereo Review*, *Cycle World*, *Elle*, *Elle Decor*, *Flying*, *George*, *Home*, *Metropolitan Home*, *Mirabella*, *Popular Photography*, *Premier*, *Road & Track*, *Showboats International*, *Stereo Review's Sound & Vision*, *Travel Holiday and Woman's Day*, as well as a number of quarterlies and special publications.

The Hearst Corporation is a diversified privately-held communications company that, *inter alia*, publishes newspapers, consumer magazines and business publications.

Journal Communications Inc. publishes the Milwaukee *Journal Sentinel*.

Knight Ridder publishes 32 daily newspapers in 28 U.S. markets, including the *Aberdeen American News*, *Akron Beacon Journal*, *Belleville News-Democrat*, *The Sun Herald*, *Bradenton Herald*, *The Charlotte Observer*, *The State*, *Columbus Ledger-Enquirer*, *Contra Costa Times*, *Detroit Free Press*, *Duluth News-Tribune*, *The News Sentinel*, *Fort Worth Star-Telegram*, *Grand Forks Herald*, *The Kansas City Star*, *Lexington Herald-Leader*, *The Macon Telegraph*, *The Miami Herald*, *El Nuevo Herald*, *The Monterey County Herald*, *The Sun News*, the *Olathe Daily News*, *The Philadelphia Inquirer*, *Philadelphia Daily News*, *Saint Paul Pioneer Press*, *San Jose*

Mercury News, *San Luis Obispo Tribune*, *Centre Daily Times*, *Tallahassee Democrat*, *The Daily Sun*, *The Wichita Eagle* and *The Times Leader*. It also maintains a national network of 36 regional hubs at www.realcities.com.

Macromedia Inc. is a media company based in Hackensack, NJ which, *inter alia*, publishes The Record (known as the Bergen Record), the Herald News (daily newspapers in northern NJ), 19 community weekly newspapers, and specialty publications.

Magazine Publishers of America, Inc., founded in 1919, is the national trade association of the magazine publishing industry. MPA represents more than 250 of the largest magazine publishers in the United States, who collectively publish more than 1,250 of the best known consumer interest titles, on a weekly, monthly, and quarterly basis.

News America Inc.'s principal activities, conducted through its subsidiaries and affiliates, include, *inter alia*, publishing magazines and newspapers, including *TV Guide*, *The Weekly Standard* and the *New York Post*. News America Incorporated is indirectly wholly-owned by The News Corporation Limited.

The Newspaper Association of America is a non-profit organization representing more than 2,000 newspapers in the United States and Canada. NAA members account for 87 percent of the daily circulation in the United States and a wide range of non-daily U.S. newspapers. Many of NAA's members publish newspapers that are available in print, as well as electronically.

Philadelphia Newspapers, Inc. (PNI), a wholly owned subsidiary of Knight-Ridder, Inc., is the publisher of *The Philadelphia Inquirer* and the *Philadelphia Daily News*. The content of both newspapers also is distributed on PNI's *philly.com* Web site.

PRIMEDIA Inc. owns over 200 print and video businesses including consumer magazines such as *New York*, *Chicago*, *Seventeen* and *Modern Bride*, trade publications such as *Telephony* and *Cable World* and consumer enthusiast titles,

including *Sail*, *Horticulture* and *Fly Fisherman*. PRIMEDIA also currently operates more than 200 Internet sites tied to its publications and other information businesses.

Village Voice Media, Inc. and its affiliates publish eight alternative news weeklies nationwide, each of which is distributed in print and electronically. These include *The Village Voice*, *LA Weekly*, *Seattle Weekly*, and Minneapolis *City Pages*.

The Washington Post Company's principal operations include newspaper and magazine publishing. *The Washington Post*, a division of The Washington Post Company, is a daily newspaper of general circulation primarily in Virginia, Maryland and Washington, D.C.

Ziff Davis Media Inc. is a leading media and marketing company focused on computer and Internet-related technologies, with principal platforms in print publishing, trade shows and conferences, online content, television and education. The print publications of Ziff-Davis include *PC Magazine*, *PC Week*, *Computer Shopper*, *PC Computing*, *Computer Gaming World*, *Yahoo!*, *Internet Life*, *Inter@ctive Week*, *Family PC*, *Electronic Gaming Monthly*, *Expert Gamer*, *Official U.S. PlayStation Magazine* and *Sm@rt Reseller*.

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IN THE

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THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS AND UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS; AND DAVID S. WHITFORD,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Second Circuit

MOTION OF NORTHERN LIGHT TECHNOLOGY, INC. FOR LEAVE TO SUBMIT A BRIEF AS *AMICUS CURIAE* AND BRIEF OF *AMICUS CURIAE* IN SUPPORT OF PETITIONER

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14pp

MOTION OF NORTHERN LIGHT TECHNOLOGY, INC. FOR LEAVE TO SUBMIT A BRIEF AS *AMICUS CURIAE* IN SUPPORT OF THE PETITION

Northern Light Technology, Inc. respectfully moves this Court for leave to submit an *amicus curiae* brief, filed contemporaneously with this Motion, in connection with the instant petition for a writ of certiorari.

Movant is a privately held corporation that licenses a vast collection of journals, magazines, newswires and other sources of information from print publishers, and makes electronic copies of that material available to the public. Some of this material may contain articles written by freelance writers who have not expressly authorized the publishers to make electronic copies of their contributions to those works. Instead, those contributions have been produced under the statutory privilege that allows the publisher of a collective work to redistribute individual contributions "as part of that particular collective work, any revision of that collective work, or any later collective work in that same series." 17 U.S.C. 201(c).

Movant has a compelling interest in the continued application of this privilege to the publication of collective works on the world wide web. If the decision below were allowed to stand, print publishers may feel compelled to withdraw some or all of the material that they have made available for online distribution. As a result, Movant could lose a significant source of revenue, but more importantly, the public would lose the ability to search that material in a convenient and cost-effective manner.

The petitioners have consented to Movant's request to submit an *amicus curiae* brief in support of the petition, but the respondents have withheld their consent. Nevertheless, counsel for the respondents has stated that they will not oppose this motion provided that the Court's consideration of the proposed brief will not delay its review of the issues presented in the petition.

Movant's brief informs the Court of an important factual development that has occurred since the petitioners filed their petition, and therefore will help the Court make an informed decision concerning the impact of granting or denying the instant petition.

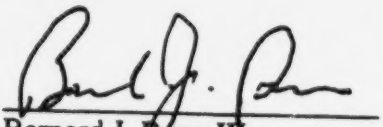
As the petitioners have observed, several organizations that represent freelance writers have threatened to sue print publishers and those who reproduce their publications in electronic copies throughout the entire country unless they comply with the Second Circuit's decision in *Tasini v. New York Times*. (Petitioner's Brief at 12-13.)

In fact, over the past eight weeks, three purported class actions have been filed in three separate jurisdictions on behalf of freelance writers nationwide. These actions raise precisely the same issues that the Second Circuit considered in *Tasini*. If this Court granted the petition and reversed the Second Circuit's decision, these purported class actions would be subject to immediate dismissal, but if this Court affirmed that decision, the other actions might well settle. Therefore, granting the petition and hearing the *Tasini* case on its merits would conserve judicial resources

and promote the expeditious determination of the claims alleged in those actions.

For the foregoing reasons, Movant respectfully submits that its Motion for Leave to Submit a Brief as *Amicus Curiae* should be granted.

Respectfully submitted,



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Dated: October 2, 2000

QUESTION PRESENTED

Is the publication and distribution of newspapers, magazines, and other periodicals in digital and other electronic formats, privileged under 17 U.S.C. § 201(c) of the Copyright Act, or does it infringe the copyrights held by contributing freelance authors?

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INTEREST OF THE *AMICUS CURIAE*[1]

Northern Light Technology, Inc. ("*Amicus*") submits this brief in support of the petition. *Amicus* is a privately held corporation that makes more than 7,100 full-text journals, books, magazines, newswires, and other information resources available electronically. *Amicus* licenses these materials from print publishers and makes them available to researchers, scholars and the general public on its website, which is located at www.northernlight.com. Some of these materials may contain articles written by freelance writers who have not expressly authorized the print publishers to make electronic copies of their contributions to those works. Therefore, those contributions have been reproduced under the statutory privilege that allows the publisher of a collective work to redistribute individual contributions "as part of that particular collective work, any revision of that collective work, or any later collective work in that same series." 17 U.S.C. 201(c).

Amicus has a direct and compelling interest in the continued application of this congressionally mandated privilege to the publication of collective works on the world wide web. If the decision below were allowed to

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1. No counsel for a party authored this brief in whole or in part, and no person other than the *Amicus Curiae* and its counsel, made a monetary contribution to the preparation and submission of this brief.

stand, print publishers may feel compelled to withdraw some or all of the newspapers, magazines and other periodicals that they have made available in electronic copies. As a result, *Amicus* could lose a significant source of revenue, but more importantly, the public would lose the ability to search those collective works in a convenient and cost-effective manner.

Accordingly, *Amicus* urges the Court to grant the writ and hear this case on its merits.

SUMMARY OF ARGUMENT

Amicus submits this brief to inform the Court of an important factual development that has occurred since the petitioners filed their appeal. Over the past eight weeks, several freelance writers have filed three purported class actions alleging copyright infringement claims on behalf of all such writers nationwide. These actions raise the same questions of law that the Second Circuit addressed in *Tasini v. New York Times*. Therefore, if this Court granted the petition and reversed the Second Circuit, these purported class actions would be subject to immediate dismissal, but if this Court affirmed the decision below, the other actions might well settle. Accordingly, this Court should grant the petition and hear the *Tasini* case on its merits in order to promote judicial economy and the expeditious resolution of these other actions.

ARGUMENT

Electronic collections of periodicals hold out great promise for the public. They encourage the widespread distribution of original works of authorship by allowing print publishers to make their newspapers, magazines, and other types of periodicals available to millions of individuals in an efficient and cost-effective manner. For example, libraries and public institutions can provide their users with complete copies of the most obscure journals without incurring the tremendous cost of shelving those publications. As a result, students, scholars, and other researchers (including this Court) can access collective works in a matter of seconds, instead of waiting for them to arrive from a storage facility or through an inter-library loan. More importantly, users can search the entire contents of works by using search engines to find exactly what they are looking for, without having to wade manually through voluminous irrelevant material. In this respect, electronic collections support the copyright law's constitutional mission of promoting the progress of science and the useful arts by encouraging the creation of and demand for original works of authorship.

The Second Circuit's overly restrictive interpretation of section 201(c) of the Copyright Act of 1976 undermines this constitutional objective. It requires the identification of each and every freelance writer whose work has been published in a periodical reproduced electronically, so that a license for the continued use of that material can be negotiated. It would be extremely difficult, if not impossible, to comply with this requirement. Most

print publishers and their licensees cannot locate individual contributors. As a result, a significant amount of material must be deleted from electronic copies of periodicals or those copies must be destroyed in their entirety in order to avoid liability for copyright infringement.

The newspapers, magazines, and other types of periodicals that are now available to the public electronically provide a daily record of American history. Unless this Court intervenes in this case, a significant portion of that historical record will be lost, but more importantly, the public would lose the ability to access that record in a convenient, comprehensive, and cost-effective manner. Therefore, the Second Circuit's decision not only threatens the public interest, it also undermines the copyright law's fundamental objective "to increase and not to impede the harvest of knowledge." *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 545 (1985).

Amicus submits this brief to inform the Court of an important factual development that has occurred since the petitioners filed their petition. As the petitioners have observed, organizations that represent freelance writers, such as the National Writers Union, have threatened to sue "[e]very single database provider" for copyright infringement unless they comply with the Second Circuit's decision. (Petitioner's Brief at 12-13.) Indeed, respondent Tasini has predicted that the decision will generate "a tidal wave of lawsuits." (Id. at 14.) Unfortunately, this prediction has come true.

Over the past eight weeks, three purported class actions have been filed in three separate jurisdictions on behalf of freelance writers nationwide.[2] Each action alleges copyright infringement as a result of the inclusion of the class members' contributions in collective works published on CD-roms and in other types of electronic copies without their permission. These actions raise precisely the same issues that the Second Circuit considered in *Tasini*, and therefore seek to enforce that decision as the legal standard for the entire nation. If this Court granted the petition for certiorari and reversed the Second Circuit's decision, however, these purported class actions would no longer be viable and would be subject to immediate dismissal. Likewise, if this Court affirmed the

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[2] The cases include *Authors Guild, Inc. v. Dialog Corp., Reed Elsevier, Inc., Dow Jones Reuters Business Interactive, LLC, Bell & Howell Co., Thomson Corp., Northern Light Technology, Inc., Ebsco Industries, Content Commerce LP,* and *Mediastream, Inc.*, Case No. 1:00CV6049 (S.D.N.Y., filed Aug. 15, 2000); *Laney v. Dow Jones & Co., Reed Elsevier, Inc., Northern Light Technology, Inc., Bell & Howell Co., Thomson Corp., West Publishing Corp., Gale Group, and Dialog Corp.*, Case No. 00CV769 (D. Del., filed Aug. 21, 2000); and *Posner, et al. v. Gale Group, Inc., Northern Light Technology Corp., Bell & Howell Information and Learning Co., Thomson Business Information, Reed Elsevier, Inc., West Publishing Corp., Dow Jones Reuters Business Interactive LLC, Mediastream, Inc., and Union Tribune Publishing Co.*, Case No. 00 Civ. 7376 (S.D.N.Y., filed Sept. 28, 2000). Counsel for plaintiffs in the *Laney* action has filed a motion to consolidate these cases under 28 U.S.C. § 1407.

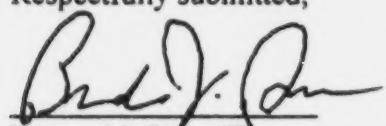
Second Circuit, the parties might well settle and those actions would be dismissed. Therefore, granting the writ and hearing the *Tasini* case on its merits would conserve judicial resources and promote the just, speedy, and inexpensive resolution of the claims alleged in those purported class actions.

Moreover, the *Tasini* case is the best vehicle for addressing the proper application and interpretation of 17 U.S.C. § 201(c). The parties include several freelance writers, print publishers, and electronic database providers that have compiled an extensive record addressing the same types of articles, collective works, and electronic databases that are at issue in each of the purported class actions. (Petitioners' Brief at 18.) By contrast, the newly filed actions do not have a broad selection of parties, because they involve freelance writers and electronic database providers, but only one print publisher. Furthermore, it would be several years before the record in those actions could be as fully developed as the record in *Tasini*, because each of them is still at the pleading stage.

CONCLUSION

Because the Second Circuit's decision threatens the public interest in obtaining access the historical record in an efficient and cost-effective manner, and because this Court's review of that decision would promote the public interest in judicial economy, the petition for certiorari should be granted.

Respectfully submitted,



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Dated: October 2, 2000

MOTION FILED
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No. 00-201

IN THE
Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.;
THE TIME INCORPORATED MAGAZINE COMPANY;
LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY;
BARBARA GARSON; MARGOT MIFFLIN;
SONIA JAFFE ROBBINS and DAVID S. WHITFORD,
Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals For the Second Circuit

MOTION FOR LEAVE TO FILE BRIEF *AMICI CURIAE* AND BRIEF *AMICI CURIAE* OF KEN BURNS, DORIS KEARNS GOODWIN, RICHARD N. GOODWIN, DAVID M. KENNEDY, DAVID MCCULLOUGH, JACK N. RAKOVE AND GORDON S. WOOD IN SUPPORT OF PETITIONERS

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MOTION FOR LEAVE TO FILE BRIEF *AMICI CURIAE* ON BEHALF OF KEN BURNS, DORIS KEARNS GOODWIN, RICHARD N. GOODWIN, DAVID M. KENNEDY, DAVID MCCULLOUGH, JACK N. RAKOVE AND GORDON S. WOOD

Pursuant to Supreme Court Rule 37, Ken Burns, Doris Kearns Goodwin, Richard N. Goodwin, David M. Kennedy, David McCullough, Jack N. Rakove and Gordon S. Wood ("*amici*"), through their undersigned counsel, hereby respectfully move for leave to file the following brief *amicus curiae* in this case. The consent of the Petitioners has been obtained, and a letter reflecting same will be lodged with this Court. The consent of the Respondents has been sought but, as of the filing of this brief, no response has been received.

For the foregoing reasons, *amici* respectfully request leave to file the attached brief.

Respectfully submitted,

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Attorneys for Amici Curiae

October 2, 2000

QUESTION PRESENTED

Whether a publisher's reproduction and distribution of its entire periodical not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyright held by contributing freelance authors.

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INTERESTS OF *AMICI CURIAE*[1]

This brief *amici curiae* in support of the petition is submitted by Ken Burns, Doris Kearns Goodwin, Richard N. Goodwin, David M. Kennedy, David McCullough, Jack N. Rakove and Gordon S. Wood ("*amici*"), pursuant to Rule 37 of the Rules of this Court.

Ken Burns is a filmmaker and author, widely known for his documentaries for public television. Mr. Burns' films include *The Civil War* and *Baseball*, each of which set records for public television viewership. Some of his other films include *Not for Ourselves Alone: The Story of Elizabeth Cady Stanton and Susan B. Anthony*; *Lewis and Clark: The Journey of the Corps of Discovery*; *The Congress*; *Frank Lloyd Wright*; *The Statue of Liberty*; *Brooklyn Bridge*; *Huey Long*; and *Thomas Jefferson*. In addition to his work as a documentarian and biographer, Mr. Burns has also collaborated on several books, including *Jazz: An Illustrated History*; *The Civil War: An Illustrated History*; and *Baseball: An Illustrated History*. Mr. Burns has been nominated twice for an Academy Award and has won numerous Emmy Awards, as well as other honors. Mr. Burns is an active member of the Society of American Historians.

Doris Kearns Goodwin is an historian, commentator and author, widely known for her historical perspectives on American politics and political figures. Ms. Kearns Goodwin is the author of numerous highly acclaimed biographies, including the 1995 Pulitzer Prize-winning best-seller, *No Ordinary Time: Franklin and Eleanor Roosevelt—The Home Front in World War II*. In addition, Ms. Kearns Goodwin has contributed numerous articles on historical, political and cultural subjects to publications, including *The New York*

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[1] No counsel for a party authored this brief in whole or in part, and no person or entity other than *amici curiae*, or their counsel, made a monetary contribution to the preparation or submission of this brief.

Times, *The Atlantic Monthly*, *Life* and *Redbook*. She is a former professor of government at Harvard, and currently serves as a political commentator for NBC and the PBS program, *The News Hour with Jim Lehrer*.

Richard N. Goodwin is a political advisor and commentator as well as an historian and author. Mr. Goodwin served as a speech writer to President Lyndon Johnson and as an advisor to President John F. Kennedy. He has published several successful books on political subjects, as well as contemporary American life and culture, including *Remembering America: A Voice From the Sixties*; *Promises to Keep: A Call for a New American Revolution*; and *The Hinge of the World*.

David M. Kennedy is the Donald J. McLachlan Professor of History at Stanford University and a prolific author whose scholarship spans a wide range of historical subjects. With over ten books and numerous articles to his credit, Professor Kennedy has been awarded a variety of honors and awards, including the 2000 Pulitzer Prize for his comprehensive history of the Great Depression, the New Deal and World War II, *Freedom from Fear: The American People in Depression and War, 1929-1945*. Professor Kennedy is also co-author of *The American Pageant, a History of the Republic*, which is widely used as an undergraduate and high school advanced placement course textbook.

David McCullough is a well-known biographer, author, historian and scholar. He has written six biographies, including the 1993 Pulitzer Prize-winning, best-selling biography, *Truman*. In addition to the Pulitzer Prize, Mr. McCullough has received several other awards for his contributions to historical scholarship. Mr. McCullough also is active in the historical scholarly community. He serves as the president of the Society of American Historians and is a founding member of Protect Historic America.

Jack N. Rakove is a Professor of Political Science and the William Robertson Coe Professor of History and American Studies at Stanford University. Professor Rakove has written several books on the early American Republic, its politics and political figures, including the biography *James Madison and the Creation of the American Republic*. In 1997, Professor Rakove received the Pulitzer Prize in history for his best-selling book *Original Meanings: Politics and Ideas in the Making of the Constitution*. In addition to his teaching activities at Stanford and as a visiting professor at New York University School of Law, Professor Rakove is an active member of the American Historical Association, the Organization of American Historians, the Society for Historians of the Early American Republic and the Institute of Early American History.

Gordon S. Wood is an historian, author and Professor of History at Brown University, where he has been a faculty member since 1969. Professor Wood also has taught at Harvard University, the College of William and Mary, the University of Michigan and Cambridge University. He is the author of more than 50 publications, including *The Creation of the American Republic*, for which he won the Bancroft Prize in history and the John H. Dunning Prize. In 1993, Professor Wood received the Pulitzer Prize for his book *The Radicalism of the American Revolution*. Professor Wood is a past president of the Society for Historians of the Early American Republic, and he serves on the Board of Trustees for Colonial Williamsburg, Tufts University and the National Council for History Education.

As historians, political commentators and authors, *amici* have devoted much of their professional energies to developing, interpreting and analyzing the historical record of this country. As researchers and scholars, *amici* rely heavily on, and the quality of their work is dependent upon, the availability, reliability, accessibility and comprehensiveness of the nation's electronic repository of back issues of

newspapers, magazines, journals and other periodicals. Because the Second Circuit's decision in this case will have an unexpected, unprecedented and materially detrimental effect on the availability and integrity of the nation's electronic archives, *amici* urge the Court to grant certiorari and decide this matter on the merits.

SUMMARY OF ARGUMENT

The Second Circuit's decision in *Tasini* holds that publishers and those licensed to reproduce and distribute electronic copies of their collective works may not include works of freelance authors who have not explicitly granted the right to publish their individual contributions in such electronic copies. As interested parties on both sides of this case have acknowledged, the threat of lawsuits brought by freelance authors relying on the Second Circuit's decision will lead the nation's publishers and database providers to avoid the risk of copyright infringement liability by deleting freelance contributions included in the nation's electronic archives, and omitting certain works from electronic archives moving forward. In an era when libraries and other collecting institutions are rapidly replacing their print and microfiche/microfilm archives of newspapers, journals and other periodicals with searchable, full-text electronic counterparts, this result will have unexpected, unprecedented and irreversible consequences for the integrity and accessibility of the historical record and the progress of historical scholarship. Given the significance of this potential outcome, a writ of certiorari should be granted and the issue presented in this case definitively resolved by the Court.

ARGUMENT

The impact of digital technology on contemporary society and culture is ubiquitous and ever-expanding. For historians, researchers, scholars and students in countless disciplines, the comprehensive, searchable, full-text journal, periodical and newspaper database has become an irreplaceable and priceless resource. The advantages of digital storage and retrieval technology in terms of accessibility, efficiency, reliability and comprehensiveness as compared to traditional analog media (*i.e.*, hard copy bound volumes, microfilm and microfiche) are apparent, and have resulted in the proliferation of electronically available full-text archival resources. These advantages, coupled with the inefficiencies and costs associated with maintaining parallel analog collections of the same archival materials, have led collecting institutions throughout the nation (both big and small) to reduce significantly their investments in and reliance upon traditional analog means of information storage and retrieval.

The Second Circuit's decision in this case threatens both the integrity of this nation's historical record and the public's access to it. As a result of the Second Circuit's decision, and contrary to common custom and practice in existence since the advent of electronic media, publishers and database providers, including but not limited to Petitioners, cannot lawfully include past, current or future contributions of freelance authors without first explicitly obtaining rights for further electronic archival publication of their respective contributions. As a direct consequence of the likely expense and practical difficulties of locating and negotiating with individual freelance authors (or their heirs/assigns), publishers and database providers will opt either to erase the contributions of freelance authors currently included in full-text databases, or not include such contributions prospectively, rather than risk liability for infringement. The record below contains the uncontroverted testimony of publishers

and database providers in support of the certainty of this outcome[2] and the class action litigation filed against them in recent months underscores the gravity of their concerns.[3]

Amici submit that the resulting evisceration of electronic journal, newspaper and periodical archives compelled by the decision below will have irreversible adverse consequences for the integrity and accessability of the historical record, and the progress of historical scholarship and research generally. Accordingly, *amici* urge the Court to review the decision of the Second Circuit and definitively resolve the issue presented in this case.

I. ELECTRONIC JOURNAL, NEWSPAPER AND PERIODICAL ARCHIVES PROVIDE UNSURPASSED BENEFITS TO HISTORIANS AND SCHOLARS AND THUS HAVE BECOME INDISPENSABLE RESEARCH TOOLS.

The record of our time, as well as that of the past generation, has been and will increasingly become digitized.[4]

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[2] *See* Decl. of K.A. Tillman in Support of Defendant-Appellees' Motion for Stay of Mandate ¶¶ 6-16, April 11, 2000 (2d Cir. Docket No. 97-9181 (L), 97-9650 (CON)); Decl. of F.T. Leftrict, Jr. in Support of Defendant-Appellees' Motion for Stay of Mandate ¶¶ 7-11, April 11, 2000 (2d Cir. Docket No. 97-9181 (L), 97-9650 (CON)).

[3] *See Posner v. Gale Group*, No. 00-CV-2913 (N.D. Cal. complaint filed Aug. 14, 2000); *Authors Guild v. Dialog Corp.*, No. 00-CV-6049 (S.D.N.Y. complaint filed Aug. 15, 2000); *Laney v. Dow Jones & Co.*, No. 00-CV-00769 (D. Del. complaint filed Aug. 21, 2000).

[4] *See* Martha E. Williams, *Highlights of the Online Database Industry and the Internet: 2000, in* Proceedings of the 21st Annual National Online Meeting 1 (Martha E. Williams ed., 2000) ("Looking at the growth in databases, producers of databases, and vendors of database services over the time period from 1975 through 1999, the databases have grown by a factor of 39 . . . . The number of records contained in the databases has grown disproportionately. In 1975 the 301 databases contained about 52 million records. The 11,681 databases in 1999 contained nearly 12.86 *billion* records for a growth by a factor of 242.") (emphasis added).

Before the advent of digital research tools, scholars and historians were dependent principally on index-based systems, such as the *Readers' Guide to Periodical Literature* and its counterparts in countless disciplines, to access original source materials.[5] The researcher invariably began a given project by using the traditional and limited information access points—namely, title, author and subject fields. After carefully parsing the index and identifying a seemingly relevant reference, the researcher was required physically to retrieve, if possible, or request through interlibrary loan, if necessary, each and every relevant reference in cumbersome hard copy or microfiche/microfilm format. Using these traditional analog tools, even the most straightforward (*e.g.*, single-source) projects often required a significant investment of time and patience. These efforts were exponentially more complicated and burdensome when research, as is typically the case, required consideration of numerous publications, across a multitude of time periods.

With the advent of electronic libraries such as NEXIS, WESTLAW, Dow Jones Interactive and Dialog, a research project which, through the process described above, would have taken a researcher hours, days or more, can now potentially be completed in a matter of minutes. Searchable, comprehensive, full-text databases permit researchers to review quickly and efficiently hundreds, if not thousands, of print publications for the most detailed and minute references with a few keystrokes. Moreover, these technologies free the

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[5] *See* Vibiana Kassabian & Julie M. Still, *Selecting Full-Text Undergraduate Periodicals Databases*, EContent, Dec. 1, 1999 ("A long time ago, in a galaxy far, far away, the friendly but serious . . . librarians at a good undergraduate library could purchase a set of the Wilson indices—*Readers' Guide*, *Social Sciences Index*, *Humanities Index*, *Business Periodicals Index*, *Biological and Agricultural Index*, and *Applied Science and Technology Index*—and feel they were providing their students with solid, well-rounded access to the major periodical literature of various fields.").

researcher from the inherently limited index systems, the integrity of which are entirely dependent on the judgment and perception of the individuals charged with characterizing and describing the underlying content. Full-text archives of a relevant publication (*i.e.*, a periodical, journal or newspaper) for a specified time period provide scholars and researchers with direct access to the universe of potentially applicable source material, and the ability to parse it with a level of detail and at speeds that are simply not possible using traditional, index-based research tools and manual review. In contrast to analog research methods, the utility of the electronic database is limited only by the researcher's ability to formulate an effective search.

The immediacy of access, efficiency, accuracy, reliability and comprehensiveness offered by searchable full-text digital archives are but a few of the benefits historians and other researchers have reaped from the advancement in the technology of information. Perhaps of equal significance is the fact that digital periodical, newspaper and journal archives, regardless of where they are physically housed, can be accessed from any location where the appropriate technology is available.[6] Moreover, these materials can be accessed by countless people simultaneously at any time.[7]

II. DIGITAL TECHNOLOGY IS INCREASINGLY REPLACING, RATHER THAN SUPPLEMENTING, TRADITIONAL METHODS OF RECORDING AND ACCESSING THE NATION'S HISTORICAL RECORD.

Few will deny that the primary locus, or at least the starting point, of almost any historical research project today (and for

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[6] *See Commission on Physical Sciences, Mathematics, and Applications, National Research Council, LC21: A Digital Strategy for the Library of Congress* (2000) 3-3 [hereinafter *Library of Congress Report*].

[7] *Id.* at 3-4.

many years now) has migrated from the physical collections of libraries and archives to the desktop computer. Indeed, through digitization, the concept of "library" has been transformed from a "place" to a process of information management and collection.[8] The fundamental process of historical research remains the same, however, whether the historian is relying on traditional analog or digital research tools. In either case, the quality of the research is ultimately dependent on the skill of the researcher and the comprehensiveness and accessibility of the underlying source material.

Although traditional archives and libraries comprised of analog materials always will remain indispensable research tools, they no longer are the primary research tools. Those charged with overseeing the warehouses of our nation's collective memory, namely, the nation's research libraries and archives, have been at the forefront of employing digital technology to collect, store and maintain the historical record in its myriad forms. In recognition of the efficiencies inherent in managing information digitally, as well as the associated physical space and cost savings, the acquisition policies and infrastructure of our nation's libraries and archives have undergone a significant transformation. Less and less frequently do they maintain parallel information systems in traditional print media and electronic forms.[9]

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[8] *See* Richard C. Rockwell, *Gateway Library: A View from the Periphery*, *in* Gateways to Knowledge 109 (Lawrence Dowler ed., MIT Press 1997).

[9] *See* Eli M. Noam, *Will Books Become the Dumb Medium?, Keynote Address to the Annual Convention of Educom* (Oct. 27, 1997), *in* Educom Review, March/April 1997, at 21 ("Comprehensive library collections have become unaffordable. But at the same time, electronic alternatives have become powerful in storage, broad-ranging in content and efficient in retrieval. Therefore, libraries are gradually shifting from investment in the physical presence of information to the creation of electronic access. Soon the combination of laptop and phone line will serve just as well—

Faced with the choice, the traditional print alternative is selected with increasingly less frequency.[10] Indeed, some observers predict that print media journal/periodical storage and retrieval systems will be the exception rather than the rule in the not-too-distant future.[11] Already, for many researchers, electronic databases represent the sole repository of comprehensive historical information on their topic of interest.[12] Moreover, for certain rare or fragile subject matter, digital media may offer the only viable means of salvaging materials for future generations.[13]

III. THE SECOND CIRCUIT'S DECISION WILL HAVE THE PREDICTABLE EFFECT OF IRREPARABLY UNDERMINING THE INTEGRITY OF THE NATION'S ELECTRONIC ARCHIVES AND THE PROGRESS OF HISTORICAL RESEARCH AND SCHOLARSHIP.

It is for these reasons that *amici* urge this Court to review the decision below. In an era when print archives of newspapers, journals and other periodicals are being rapidly replaced by electronic counterparts, the Second Circuit's decision will have the practical effect of dramatically and irreparably undermining the integrity of the historical record

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anywhere, anytime.").

[10] *See* Katie Hafner, *Books to Bytes: The Electronic Archive*, N.Y. Times, April 8, 1999, at G1.

[11] *See* Tracy Primich, *Electronic Collections in the Age of the Traditional Library*, EContent, April 1, 2000, at 65 (quoting the *1994 California State University Strategic Plan for Libraries* which sets as a goal the transformation of "expensive journals in high-use areas into their electronic equivalents as early as is financially feasible, but certainly within the next three to five years," ultimately predicting that the state university library system will "get out of the business of acquiring print-based journals altogether").

[12] *See Library of Congress Report*, *supra* note 6, at 1-17.

[13] *Id.* at 4-9, 6-2.

by limiting access to information and increasing the burdens on, and the costs of, scholarship.·

As a result of the Second Circuit's decision, publishers and database providers may not lawfully include in archival databases the works of freelance authors who have not explicitly granted the rights for further electronic archival publication of their respective journal, magazine or newspaper contributions. The threat of a tidal wave of lawsuits brought by freelance authors relying on the Second Circuit's decision will lead the nation's publishers and database providers to avoid the risk of liability by prophylactically eviscerating existing databases of significant materials, and not including certain works in electronic archives moving forward. From the perspective of *amici*, the potential damage wrought by this rule is inestimable because such "freelance" materials include, among other things, Op-Ed pieces and other invaluable contemporary commentary on the people and events of a given point in time.

The certainty of this devastating outcome becomes clear when the practical limitations involved in seeking and clearing freelance authors' rights are considered. *First*, in light of decades of common publishing industry practice, and given the long-standing and implicit understanding of publishers and freelance authors that authorization for inclusion of works in archival resources was not required, the publishing industry simply has not maintained the complete and accurate records necessary to seek and secure the permissions mandated by the Second Circuit's decision. Accordingly, many of the authors whose rights may be implicated, or their heirs and assigns, may be difficult, if not impossible, to locate. *Second*, even assuming the respective rights holder(s) can be located, in addition to the practical and administrative burdens associated with attempting to clear rights retroactively, the aggregate costs of paying individual rights holders for the necessary permissions to republish their respective contributions in electronic form will either be

passed on to individual and institutional end-users, or may simply be prohibitive, particularly for the publishers of small and/or specialized academic journals. *Third*, in terms of prospective effect, the Second Circuit's decision is no less damaging. Although it may be possible for publishers and database providers to secure in advance the necessary rights from freelance authors to publish back issues of newspapers and other periodicals in their entirety in electronic form, it is equally possible that freelance authors may deny granting such permissions, preferring instead that their individual works not be included in electronic archives regardless of the fees offered by the publisher.

The omission of these materials from the electronic databases, for any reason on a large scale or even an occasional basis, undermines the principal benefits that electronic archives offer historians—efficiency, accuracy and comprehensiveness. For the scholar, the uncertainty engendered by an incomplete archive presents a grave threat to the quality and completeness of historical scholarship, particularly where the gaps in coverage are not apparent or even detectable.

Faced with the prospect of unidentifiable gaps in coverage in the nation's electronic archive, and in order to guarantee thorough and accurate research, historians and researchers will, by necessity, be driven back to physical collections of libraries and archives to utilize, to the extent they now exist, the obsolete and inherently limited print-based indices and other analog information locating tools of prior generations. In light of the trends in library acquisition in favor of electronic media, however, researchers will return to a materially depleted analog universe, with a substantial portion of the historical record simply unavailable or, if available, difficult, costly and inconvenient to access. Against such a backdrop, and in view of increasing financial constraints on research libraries and archives, it is highly unlikely that all but a select few collecting institutions will be able consis-

tently to purchase electronic *and* analog versions of critical resources, with those that do likely being forced to pass on the costs to downstream users. Moreover, because of the fundamental shift in favor of electronic media among the nation's libraries, archives and research institutions, it may simply be too late to return to analog approaches as the principal means of information storage and retrieval. The vast majority of libraries and archives will, therefore, be left with an unenviable choice between facilitating access and providing complete access to critical resource materials.

In sum, therefore, *amici* respectfully submit that the Second Circuit's decision will have the unprecedented and undesirable two-fold effect of threatening the completeness and integrity of the nation's electronic archives, and decreasing access to convenient, cost-efficient, comprehensive electronic information resources available to historians, scholars and researchers, as well as the public at large. An outcome of such momentous importance to the integrity of our nation's collective historical record and the progress of historical scholarship should not occur without consideration by the Court.

CONCLUSION

For the foregoing reasons, *amici* respectfully urge the Court to grant the petition for a writ of certiorari.

Respectfully submitted,

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October 2, 2000

(21)

JAN 5 2001

CLERK

No. 00-201

IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

JOINT APPENDIX

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plaintiff

v.

THE NEW YORK TIMES CO.; NEWSDAY INC.; THE TIME INCORPORATED MAGAZINE COMPANY; MEAD DATA CENTRAL CORP.; UNIVERSITY MICROFILMS INTERNATIONAL

defendant

THE ATLANTIC MONTHLY COMPANY

Defendant

* * *

12/16/93 1 COMPLAINT filed; Issued Notice pursuant to 28 U.S.C. 636(c); FILING FEE $120.00 RECEIPT # 206205 (jl) [Entry date 12/21/93]

* * *

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* * *

5/6/94	7	ANSWER by The Atlantic Monthly, Mead Data Corp., University Microfilm (Attorney Robert G. Sugarman) to amended complaint; Firm of: Weil, Gotshal & Manges by attorney Robert G. Sugarman for defendant The Atlantic Monthly (ls) [Entry date 05/10/94]

* * *

5/6/94	12	ANSWER to Complaint by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm (Attorney Bruce P. Keller); Firm of: Debevoise & Plimpton by attorney Bruce P. Keller for defendant University Microfilm (ls) [Entry date 05/10/94]

* * *

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1/4/95	21	ORDER, for confidentiality (signed by Judge Sonia Sotomayor); Copies mailed (jr) [Entry date 01/07/95]

* * *

2/7/96	26	STIPULATION and ORDER, that the defts NY Times, Newsday, Time, University Microfilms & Lexis/Nexis have waived the right to make any changes to either the form or substance of the deposition transcripts of the listed individuals (see doc.); Purs to the Court's Order of 12/20/95, the depositions of Tasini, Whitford & Mifflin shall be taken & completed on 2/5/96, and it is further agreed that any materials responsive to the outstanding documents requested by defts be produced by pltffs by 1/31/96. (signed by Judge Sonia Sotomayor). (1am) [Entry date 02/08/96]

* * *

5/21/96	32	SEALED DOCUMENT placed in vault (sp)
5/21/96	33	SEALED DOCUMENT placed in vault (sp)
5/21/96	34	SEALED DOCUMENT placed in vault (sp)
5/21/96	35	SEALED DOCUMENT placed in vault (sp)
5/21/96	36	SEALED DOCUMENT placed in vault (sp)
5/21/96	37	SEALED DOCUMENT placed in vault (sp)

* * *

District Court Docket Entries — Selected

5/21/96 38 NOTICE OF CROSS MOTION by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm, The Atlantic Monthly for summary judgment, Return date 7/12/96 (ae) [Entry date 05/23/96]

5/21/96 39 MEMORANDUM OF LAW by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm, The Atlantic Monthly in support of [38-1] cross motion for summary judgment (ae) [Entry date 05/23/96]

5/21/96 40 MEMORANDUM OF LAW by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm, The Atlantic Monthly in further support of [38-1] cross motion for summary judgment and in opposition to plaintiffs' motion for summary judgment. (ae) [Entry date 05/23/96]

* * *

5/21/96 42 REPLY MEMORANDUM by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm, The Atlantic Monthly in further support of re: [38-1] cross motion for summary judgment and in opposition to plaintiffs' motion for summary judgment. (ae) [Entry date 05/23/96]

5/21/96 43 MEMORANDUM OF LAW by Jonathan Tasini, Mary Kay Blakely, Barbara Garson,

Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford in support of their motion for summary judgment on the issue of liability. (ae) [Entry date 05/23/96]

5/21/96 44 REPLY MEMORANDUM by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, David S. Whitford, Sonia Jaffe Robbins IN FURTHER SUPPORT of their motion for summary judgment and IN OPPOSITION to re: [38-1] cross motion for summary judgment (ae) [Entry date 05/23/96]

5/21/96 45 MEMORANDUM OF LAW by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford in opposition to [38-1] cross motion for summary judgment (ae) [Entry date 05/23/96]

5/21/96 46 BRIEF RESPONSE by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford to re: The Amicus Curiae Brief submitted by The American Society of Media Photographers. (ae) [Entry date 05/23/96]

5/21/96 47 BRIEF of The American Society of Media Photographers as Amicus Curiae Supporting Plaintiffs. (ae) [Entry date 05/23/96]

District Court Docket Entries — Selected

5/21/96	48	MEMORANDUM OF LAW of The Authors Guild, Inc., The American Society of Journalists and Authors, and The Authors Registry, Inc., As Amici Curiae. (ae) [Entry date 05/23/96]
5/21/96	49	MEMORANDUM OF LAW by The N.Y. Times, Newsday Inc., The Time Inc., Mead Data Corp., University Microfilm, The Atlantic Monthly in response to re: [47-1] Brief, [46-1] Brief Response (ae) [Entry date 05/23/96]
11/7/96	50	Filed Memo Endorsement on letter dated 11/4/96 from Emily Bass requesting that the Court accept the defendants' proposal. Proposal accepted . . . So Ordered. (signed by Judge Sonia Sotomayor) (kw) [Entry date 11/08/96]
12/2/96	51	Transcript of record of proceedings filed for dates of 10/17/96 before Judge Sotomayor. (kw)
12/10/96	--	Memo to the Docket: Pre-trial conference held by Sotomayor. (kg) [Entry date 12/11/96]
12/31/96	52	Filed Memo Endorsement on letter from Emily Bass, Esq. dated 12/30/96, requesting permission to deposit w/the Clerk of the Court copies of the CD-ROMS that were used in the defts' December 10th demonstration and referred to in Mr. Keller's supplementary argument . . . GRANTED . . . SO

* * *

District Court Docket Entries — Selected

2/5/97	54	Transcript of record of proceedings filed for dates of 12/10/96 at 3:10 p.m. before Judge Sotomayor. (kg) [Entry date 02/06/97]
8/13/97	55	OPINION AND ORDER #79095 granting [38-1] cross motion for summary judgment; (Signed by Judge Sonia Sotomayor); Copies mailed; forwarded orig. doc. to Jdgmt. Clrk. on 8/14/97 (ls) [Entry date 08/14/97]

* * *

8/18/97	57	JUDGMENT, Ordered, adjudged and decreed, that for the reasons stated in the Court's Opinion (79095) and Order of 8/13/97, defendants' motion for summary judgment are hereby granted, and judgment is hereby entered dismissing the remaining defendants in accordance with the Court's Opinion and Order. JAMES M. PARKISON; Mailed copies and notice of right to appeal. EOD 8/19/97. (ae) [Entry date 08/19/97] [Edit date 08/22/97]
8/18/97	--	Case closed (ae) [Entry date 08/19/97]
9/4/97	58	NOTICE OF MOTION by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford for reargument of [57-1] judgment order (djc) [Entry date 09/09/97] [Edit date 09/09/97]

District Court Docket Entries — Selected

9/4/97 59 MEMORANDUM by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford in support of [58-1] motion for reargument of [57-1] judgment order (djc) [Entry date 09/09/97]

* * *

9/17/97 60 NOTICE OF APPEAL by Jonathan Tasini, Mary Kay Blakely, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford; from [57-1] judgment order, [55-1] order. Copies of notice of appeal mailed to Attorney(s) of Record: Bruce P. Keller. $105.00 Appeal filing fee paid on receipt # E 297214 on September 17, 1997. (dt) [Entry date 09/18/97]

9/19/97 62 MEMORANDUM by The N.Y. Times, Newsday Inc., The Time Inc. in opposition to [61-1] motion for reargument of the Order of this Court dated and filed on August 13, 1997, [58-1] motion for reargument of [57-1] judgment order (cd) [Entry date 09/23/97]

* * *

9/26/97 64 REPLY MEMORANDUM by Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, David S. Whitford re: [61-1] motion for reargument of the Order of this Court dated and filed on August 13, 1997 (cd) [Entry date 09/30/97]

District Court Docket Entries — Selected

10/31/97 65 MEMORANDUM OPINION #79543 denying [61-1] corrected motion for reargument of the Order of this Court dated and filed on August 13, 1997, denying [58-1] motion for reargument of [57-1] judgment order (Signed by Judge Sonia Sotomayor); Copies mailed. (cd) [Entry date 11/03/97]

* * *

11/25/97 67 Appeal reinstated by Barbara Garson, Sonia Jaffe Robbins [60-1] appeal by David S. Whitford, Sonia Jaffe Robbins, Margot Mifflin, Mary Kay Blakely, Jonathan Tasini USCA NUMBER: 97-9181. George Lange, III, Clerk, USCA. (as) [Entry date 11/26/97]

12/1/97 68 NOTICE OF APPEAL by Barbara Garson, Sonia Jaffe Robbins; from [65-1] order. Copies of notice of appeal mailed to Attorney(s) of Record: Bruce P. Keller, Esq. and Prof. William Patry. $105.00 Appeal filing fee paid on December 1, 1997 on receipt # 302791. (dt)

* * * *

SECOND CIRCUIT DOCKET ENTRIES — SELECTED

GENERL DOCKET FOR
Second Circuit Court of Appeals

Court of Appeals Docket #: 97-9181 Filed: 9/23/97
Nsuit: 3820 PROPERTY RIGHTS-Copyright
Tasini, et al v. The New York Times, et al
Appeal from: U.S. District Court SDNY

Case type information:
1) Civil
2) Private
3) none

Lower court information:

District: 0208-01:93-cv-8678
Magistrate Judge: Theodore H. Katz
Trial Judge: Sonia Sotomayor
Date Filed: 12/16/93
Date order/judgment: 8/18/97
Date NOA filed: 9/17/97

Fee status: paid

Prior cases:
None
Current cases:

	Lead	Member	Start	End
Consolidated:				
	97-9181	97-9650	2/3/98	

Second Circuit Docket Entries — Selected

Panel Assignment:
Panel: RKW RJM RSP 1705 :CA2 4/26/99 am
Date of decision: 9/24/99

* * *

2/2/98 Appellants David S. Whitford, Margot Mifflin, Mary Kay Blakely, and Jonathan Tasini brief FILED with proof of service. [24] (cv75) [97-9181]

* * *

2/3/98 Appellants Sonia Jaffe Robbins in 97-9181, and Barbara Garson in 97-9181 brief FILED with proof of service. (cv75) [97-9181]

* * *

3/17/98 Appellees University Microfilm in 97-9181, Mead Data Central Co. in 97-9181, The Time Inc. in 97-9181, Newsday, Inc. in 97-9181, and The New York Times in 97-9181 brief filed with proof of service. (cv75) [97-9181]

* * *

3/17/98 Amicus Curiae Advance Publications in 97-9181, The Copley Press, In in 97-9181, Cox Newspapers, Inc in 97-9181, Cox Interactive Medi in 97-9181, Dow Jones & Co., Inc in 97-9181, The E.W. Scripps in 97-9181, Hachette-Filipacchi in 97-9181, The Hearst Corporati in 97-9181, Knight

Ridder in 97-9181, Meredith Corporation in 97-9181, National Geographic in 97-9181, News America Incorpo in 97-9181, Newspaper Associatio in 97-9181, Philadelphia in 97-9181, Playboy Enterprises, in 97-9181, Rodal Press, Inc. in 97-9181, Times Mirror Magazin in 97-9181, Tribune Company in 97-9181, The Washington Post in 97-9181, Ziff-Davis Inc. in 97-9181 brief filed with proof of service. (cv75) [97-9181]

* * *

4/7/98 Appellants David S. Whitford in 97-9181, Margot Mifflin in 97-9181, Kay Blakely in 97-9181, and Jonathan Tasini in reply brief filed with proof of service. Satisfy reply brief due. (cv75) [97-9181]

4/8/98 Appellants Sonia Jaffe Robbins in 97-9181, and Barbara Garson in 97-9181 reply brief filed with proof of service. (cv75) [97-9181]

* * *

4/26/99 Case heard before WINTER CH.J., MINER, POOLER C. JJ. (TAPE: #252+253) (ca95) [97-9181]

* * *

9/24/99 Judgment of the district court is REVERSED & REMANDED by published signed opinion filed. (RKW) [97-9181] (cv77) [97-9181]

* * *

Second Circuit Docket Entries — Selected

9/24/99 Judgment filed. [Entry Date: 9/27/99] (cv77) [97-9181]

* * *

10/8/99 Appellee University Microfilm in 97-9181, Appellee Mead Data Central Co. in 97-9181, Appellee The Time Inc. in 97-9181, Appellee Newsday, Inc. in 97-9181, Appellee The New York Times in 97-9181 petition for rehearing en banc [1570623-1] with proof of service filed. (cv77) [97-9181]

* * *

10/27/99 Amicus Curiae American Society of in 97-9181, Amicus Curiae Advance Publications in 97-9181, Amicus Curiae The Copley Press, In in 97-9181, Amicus Curiae Cox Newspapers, Inc in 97-9181, Amicus Curiae Cox Interactive Medi in 97-9181, Amicus Curiae Dow Jones & Co., Inc in 97-9181, Amicus Curiae The E.W. Scripps in 97-9181, Amicus Curiae Hachette-Filipacchi in 97-9181, Amicus Curiae The Hearst Corporati in 97-9181, Amicus Curiae Knight Ridder in 97-9181, Amicus Curiae Meredith Corporation in 97-9181, Amicus Curiae National Geographic in 97-9181, Amicus Curiae News America Incorpo in 97-9181, Amicus Curiae Newspaper Associatio in 97-9181, Amicus Curiae Philadelphia in 97-9181, Amicus Curiae Playboy Enterprises, in 97-9181, Amicus Curiae Rodal Press, Inc. in 97-9181, Amicus Curiae Times

Mirror Magazin in 97-9181, Amicus Curiae Tribune Company in 97-9181, Amicus Curiae The Wahsington Post in 97-9181, Amicus Curiae Ziff-Davis Inc. in 97-9181, Amicus Curiae A.H. Belo in 97-9181, Amicus Curiae Buena Vista in 97-9181, Amicus Curiae Donrey Media Group in 97-9181, Amicus Curiae Gannett Co., Inc. in 97-9181, Amicus Curiae Gruner+Jahr USA in 97-9181, Amicus Curiae Journal in 97-9181, Amicus Curiae Lee Enterprises, Inc. in 97-9181, Amicus Curiae Macromedia Inc. in 97-9181, Amicus Curiae Magazine Publishers in 97-9181, Amicus Curiae McClatchy Company in 97-9181, Amicus Curiae Primedia Inc. in 97-9181, Amicus Curiae Stern Publishing in 97-9181, Amicus Curiae Thomson Newspapers in 97-9181 brief in support of the petition for rehearing filed with proof of service. Satisfy amicus curiae brief due. (cv77) [97-9181]

* * *

2/25/00 Amended published signed opinion filed. (RKW) (cv77) [97-9181]

* * *

4/6/00 Order FILED DENYING petition petition for rehearing in banc [1570623-1] by Appellee University Microfilm, Mead Data Central Co., The Time Inc., Newsday, Inc., The New York Times, endorsed on motion dated 10/8/99. (cv77) [97-9181]

* * *

Second Circuit Docket Entries — Selected

4/12/00 Appellee University Microfilm in 97-9181, Appellee Mead Data Central Co. in 97-9181, Appellee The Time Inc. in 97-9181, Appellee Newsday, Inc. in 97-9181 motion to stay the mandate FILED (w/pfs). [1602355-1] (cv77) [97-9181]

* * *

4/17/00 Appellant David S. Whitford in 97-9181, Appellant Sonia Jaffe Robbins in 97-9181, Appellant Margot Mifflin in 97-9181, Appellant Barbara Garson in 97-9181, Appellant Mary Kay Blakely in 97-9181, Barbara Belejack in 97-9181 papers supporting motion # [1602355-1] by Appellee University Microfilm, Mead Data Central Co., The Time Inc Newsday, Inc. filed. (cv77) [97-9181]

* * *

4/26/00 Order FILED GRANTING motion to stay issuance of mandate [1602355-1] by Appellee University Microfilm, Mead Data Central Co., The Time Inc., Newsday, Inc., endorsed on motion form dated 4/12/00. (Before RKW, RJM, RSP, C.JJs.) (cv77) [97-9181]

* * *

Second Circuit Docket Entries — Selected

7/25/00 Order FILED GRANTING motion for extended time [1656417-1] for stay of mandate pending writ of certiorari by Appellee University Microfilm, The New York Times, Newsday, Inc., Mead Data Central Co., endorsed on motion form dated 6/30/00. (Before RKW, RJM, RSP, C.JJs. by BJM) (cv77) [97-9181]

* * *

8/11/00 Notice of filing petition for writ of certiorari for Appellee University Microfilm in 97-9181, Appellee Mead Data Central Co. in 97-9181, Appellee The Time Inc. in 97-9181, Appellee Newsday, Inc. in 97-9181, Appellee The New York Times in 97-9181 dated 8/8/00 filed. Supreme Ct#: 00-201. (cv77) [97-9181]

* * * *

AMENDED COMPLAINT, DATED FEBRUARY 24, 1994, pp. 1-12, 40-43, 50-56, 60-63, 68-69

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Index No.: 93 CIV 8678 (SS)

JURY DEMAND

JONATHAN TASINI, BARBARA BELEJACK, MARY KAY BLAKELY, BARBARA GARSON, DANIEL LAZARE, MARGOT MIFFLIN, JOAN OLECK, SONIA JAFFE ROBBINS, LINDSY VAN GELDER, DAVID S. WHITFORD, and H. BRUCE FRANKLIN

Plaintiffs,

– vs. –

NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., MEAD DATA CENTRAL CORP., and UNIVERSITY MICROFILMS INC.

Defendants.

AMENDED COMPLAINT
FOR COPYRIGHT INFRINGEMENT

Emily M. Bass, Esq. (EB-2888)
Law Offices of Emily M. Bass
330 Madison Avenue
14th Floor
New York, New York 10017-5001
(212) 953-4300

Counsel for Plaintiffs

* * *

Amended Complaint

By and through their attorney, EMILY M. BASS, ESQ., JONATHAN TASINI, BARBARA BELEJACK, MARY KAY BLAKELY, BARBARA GARSON, DANIEL LAZARE, MARGOT MIFFLIN, JOAN OLECK, SONIA JAFFE ROBBINS, LINDSY VAN GELDER, DAVID S. WHITFORD and H. BRUCE FRANKLIN (hereinafter the "Plaintiffs") allege as and for their Complaint that:

NATURE OF THE ACTION

1. This is a case of first impression. It raises questions that, to the best of plaintiffs' knowledge, have not yet been specifically addressed and/or definitively answered by any court of law, e.g.: Who owns the electronic rights to articles free-lance authors have written? The authors themselves? Their publishers in the print media? Electronic and/or CD-ROM Database producers that have purported to buy those rights from the companies responsible for printing them in the first place? The database services that thereafter transmit, broadcast or sell the articles in their new electronic incarnation? Or, the end-user or consumer who pays for the privilege of viewing the articles on-screen, sitting at his or her computer terminal?

Although the questions may well be novel ones, plaintiffs respectfully submit that the answers are anything but novel. Under recognized principles of copyright law, it is indisputably clear that free-lance authors own the electronic rights in their own work unless they have expressly transferred or assigned those rights in accordance with the Copyright Act.

[2] In the case of the eleven authors and thirty-two articles referred to below, the defendants reproduced the free-lance

authors' work in an electronic and infringing form, and authorized others to publicly perform, display and/or reproduce the authors' work, without either obtaining the authors' consent or compensating them for the usurpation.

Plaintiffs seek to have their rights declared, their injuries redressed and the defendants enjoined from further like infringements.

JURISDICTION AND VENUE

2. This action arises under the Copyright Act of 1976, 17 U.S.C. sec. 101 et seq. (hereinafter the "Copyright Act") and 28 U.S.C. sec. 2201.

3. This Court is vested with subject matter jurisdiction over this action pursuant to 28 U.S.C. sec. 1338.

4. The amount in controversy is over Fifty Thousand Dollars (U.S. $50,000).

5. Venue lies in this judicial district pursuant to 28 U.S.C. sec. 1400(a) since each defendant resides, has an agent or may be found within the district.

PARTIES

6. Plaintiff JONATHAN TASINI has been a free-lance writer for ten years and has written for a wide variety of newspapers and magazines including *The New York Times* and *Newsday*. He is currently working on a book for W.W. Norton. He is also the President of the National Writers Union, Local 1981 (UAW).

At all times pertinent to this Complaint, Jonathan Tasini has been a citizen of the United States. He currently resides in New York.

7. Plaintiff BARBARA BELEJACK has been a journalist for about ten years. Five of those years she spent reporting in Mexico. Currently, she is an adjunct in the City University of New York system and at New York University. She specializes in Latin American politics and culture.

At all times pertinent to this Complaint, Barbara Belejack has been a citizen of the United States. She currently resides in New York.

8. Plaintiff MARY KAY BLAKELY has been a columnist for *The New York Times*. She has written regularly for *Vogue* and *Ms.* as well as *Life*, *The New York Times Book Review*, *Working Woman*, [3] *Newsday*, *Woman's Day*, *Psychology Today*, *The Washington Post* and other national publications. Ms. Blakely has received the Exceptional Merit Media Award and the Matrix Award. She is also the author of the critically acclaimed memoir *Wake Me When It's Over*, the subject of a forthcoming film made by ABC productions, and the co-editor of *Pulling Our Own Strings: A Collection of Feminist Humor and Satire* (Indiana University Press, 1980). Ms. Blakely has taught at Indiana University/Purdue University for five years and is currently a member of the faculty at The New School for Social Research.

At all times pertinent to this Complaint, Mary Kay Blakely has been a citizen of the United States. She currently resides in Connecticut.

9. Plaintiff BARBARA GARSON is the author of the play *MacBird*, which sold over half a million copies and of two classic books about work, *All The Livelong Day* (Doubleday) and *The Electronic Sweatshop* (Simon and Schuster), both available in paperback from Penguin Books. Other plays include *The Dinosaur Door*, *Going Co-op* and *Security*. She has been a free-lance contributor to periodicals including *The New York Times*, *The Los Angeles Times*, *The Washington Post*, the *Village Voice*, and *Harpers*, among others, for over 25 years. She has received a Guggenheim fellowship, an National Endowment for the Arts fellowship, and an OBIE.

At all times pertinent to this Complaint, Barbara Garson has been a citizen of the United States. She currently resides in New York.

10. Plaintiff DANIEL LAZARE has been a newspaper reporter, editorial writer, and columnist for fourteen years. In 1988, he went free-lance and began writing for publications as diverse as *Art & Antiques*, *The Wall Street Journal*, and the *Village Voice*. He typically writes on topics ranging from the art market to the urban crisis to the war on drugs. He is presently writing a book on the U.S. Constitution for Harcourt Brace Jovanovich tentatively titled *The Frozen Republic: America and its Immovable Constitution*. It is slated for publication in Fall 1995.

At all times pertinent to this Complaint, Daniel Lazare has been a citizen of the United States. He currently resides in New York.

11. Plaintiff MARGOT MIFFLIN regularly writes for *Entertainment Weekly*, *Elle*, *Art News*, *The New York Times Book Review*, and *The Daily News*. She has also contributed to *The New Yorker* and the *Village Voice*. Her writing is featured in *The Compact Reader* (St. Martin's Press 1993). She currently teaches magazine journalism at New York University.

[4] At all times pertinent to this Complaint, Margot Mifflin has been a citizen of the United States. She currently resides in New York.

12. Plaintiff JOAN OLECK has been a journalist for seventeen years. She has worked for the *Detroit News*, the *Virginian-Pilot Ledger Star*, the *News and Observer* and the *Lowell Sun*. She has been an active free-lance writer since 1986. Her work has recently been published in *The New York Times*, *Washington Journalism Review* and *New Woman*. She is currently a business writer/associate editor for *Restaurant Business Magazine*.

At all times pertinent to this Complaint, Joan Oleck has been a citizen of the United States. She currently resides in New York.

13. Plaintiff SONIA JAFFE ROBBINS has been an editor, writer, and teacher over the past twenty-four years. Her articles have been published in the *Village Voice*, the *VLS*, *The Philadelphia Inquirer*, the *Columbia Journalism Review*, *Newsday*, *The Women's Review of Books*, *New Directions*, and *Women and Language News*.

At all times pertinent to this Complaint, Sonia Jaffe Robbins has been a citizen of the United States. She currently resides in New York.

14. Plaintiff LINDSY VAN GELDER has been a journalist since 1967. Her work has appeared in *Town & Country*, *Rolling Stone*, *New York*, *Ms.*, the *New York Daily News Magazine*, the *Los Angeles Times Magazine*, *Allure*, *Lear's*, *McCall's*, *Omni*, *PC* and numerous other publications. She and her partner, Pamela Robin Brandt, are currently at work on a book about lesbians for Simon & Schuster. Their previous book, *Are You Two . . . Together?* (Random House) won third place for Best Guidebook of 1991 in the Lowell Thomas Travel Journalism Competition. Other honors Van Gelder has received include winning the Newspaper Guild's Page One Award in Local Reporting, being named by NASA as a semi-finalist in the Journalist in Space program, and being listed in numerous editions of Who's Who.

At all times pertinent to this Complaint, Lindsy Van Gelder has been a citizen of the United States. She currently resides in Florida.

15. Plaintiff DAVID S. WHITFORD has been a free-lance journalist for eight years. His articles have been published in *Sports Illustrated*, *Outside*, *Newsday*, *Boston Business* and *Sport* magazine, where Mr. Whitford has a one year contract. He is the author of three books: *A Payroll to Meet: A Story of Greed, Corruption and Football at SMU* (Macmillan, 1989); *Extra Innings: A Season in the Senior League* (Harper Collins, 1991); and *Playing Hardball: The*

High-Stakes Battle for Baseball's New Franchises [5] (Doubleday, 1993). Mr. Whitford is currently employed by Fidelity Investments where his title is Senior Writer.

At all times pertinent to this Complaint, David S. Whitford has been a citizen of the United States. He currently resides in Massachusetts.

16. Plaintiff H. BRUCE FRANKLIN is the author of well over a hundred articles and the author or editor of sixteen books. His articles have appeared in numerous leading national magazines and newspapers, including *The Nation*, *Parade*, *Progressive*, *Saturday Review*, *Book World*, *The New York Times*, *Philadelphia Inquirer*, *San Francisco Chronicle*, *St. Louis Post-Dispatch*, *San Jose Mercury*, *Newsday*, *Monthly Review*, *Change*, *Chronicle of Higher Education*, *Issac Asimov's Science Fiction Magazine*, *Science*, *The Bulletin of the Atomic Scientists*, and *American Film*, as well as several encyclopedias. Publishers of his books include Doubleday, Harper & Row, Grove Press, Oxford University Press, Stanford University Press, Rutgers University Press, Putnam's, Lippincott, and New American Library. He is currently the John Cotton Dana Professor of English and American Studies at Rutgers University — Newark.

At all times pertinent to this Complaint, H. Bruce Franklin has been a citizen of the United States. He currently resides in New Jersey.

17. Defendant NEW YORK TIMES COMPANY was duly incorporated in the State of New York in 1896. At all

times pertinent to the Complaint, it has maintained offices at 229 West 43rd Street, New York, N.Y. 10036 and has been present and doing business in the state of New York. The defendant NEW YORK TIMES COMPANY publishes *The New York Times*, a daily newspaper of general circulation.

18. Defendant NEWSDAY INC. is a corporation duly authorized to transact business in the State of New York. It is a wholly owned subsidiary of the Times Mirror Company. At all times pertinent to the Complaint, Newsday Inc. has maintained offices at 235 Pinelawn Road, Melville, New York 11747, and has been present and doing business in the state of New York. The defendant NEWSDAY INC. publishes *Newsday* and *New York Newsday*. Defendant Newsday was duly incorporated in the State of New York in 1970.

19. Defendant TIME INC. is a subsidiary of Time Warner, Inc., which was duly incorporated in the State of Delaware in 1983 and is the successor to a New York corporation which was originally organized in 1922. On information and belief, at all times pertinent to the Complaint, the defendant has maintained offices at the Time & Life Building, Rockefeller Center, New York, N.Y. 10020 and has been qualified to do business in the State of New York. The defendant publishes *Sports Illustrated*, a specialty magazine.

Upon further information and belief, defendant Time Inc. [6] is present and doing business in the State of New York.

20. Defendant ATLANTIC MONTHLY COMPANY was duly incorporated in the State of Massachusetts in 1980 and has been qualified to do business in the State of New York since 1986. At all times pertinent to this complaint, the Atlantic Monthly Company has maintained offices at 1290 Avenue of the Americas, Suite 600, New York, New York 10104, and has been present and doing business in the State of New York. The defendant Atlantic Monthly Company publishes the *Atlantic*.

21. Defendant MEAD DATA CENTRAL CORPORATION ("MDC") is a wholly-owned subsidiary of the Mead Corporation and the subsidiary of Mead that is responsible for marketing electronic information services worldwide, including *inter alia* NEXIS, a computer-assisted news, financial, marketing and general information retrieval service. Mead Data Central's services are distributed and/or conveyed to subscribers via the subscribers' own computer equipment, and on custom terminals supplied by MDC.

On information and belief, the defendant maintains offices at 200 Park Avenue, New York, N.Y. 10166. Upon further information and belief, defendant MDC is present and does business within the State of New York.

22. Defendant UNIVERSITY MICROFILMS INC. ("UMI") is a subsidiary of the Bell & Howell Company. Upon information and belief, as of the filing of this Complaint, UMI maintained offices at 150 Fifth Avenue, New York, N.Y. 11501. Upon further information and belief, UMI produces and sells CD-ROM products to the public that consist of and contain the text of New York Times' articles, including *inter alia* articles written by plaintiffs.

All causes of action that have been asserted against UMI arise out of UMI's transactions with the New York Times and its commission of tortious acts by UMI within New York, and the commission of tortious acts by UMI outside the State of New York causing injury to plaintiffs' copyrights. Upon information and belief, UMI regularly solicits business in New York, engages in a persistent course of conduct within New York, derives substantial revenue from goods used or consumed or services rendered within New York, expects or should reasonably expect its acts of copyright infringement to have consequences within New York, and derives substantial revenue from interstate commerce.

23. *Newsday*, *New York Newsday*, *The New York Times*, *Sports Illustrated* and *The Atlantic* are carried on NEXIS.

24. None of the plaintiffs is employed by the defendant New York Times Co., defendant Newsday Inc., defendant Time Inc., defendant Atlantic Monthly Company, defendant Mead Data Central Corporation, or the defendant University Microfilms Inc. or [7] has worked or agreed to work for any of the said defendants on a "work for hire" basis.

25. Similarly, none of the articles plaintiffs wrote for the defendants that are the subject of this Complaint were written pursuant to a work for hire agreement.

Amended Complaint

FIRST CAUSE OF ACTION
(Plaintiff Jonathan Tasini Against
Defendants New York Times and
Mead Data Central Corporation)

26. Plaintiff Tasini repeats and realleges each and every allegation of the complaint numbered "1" through "25" as if separately set forth at length and incorporated herein.

27. On or before the dates set forth below under the heading "Date of Publication," in paragraph 31 below, plaintiff Tasini created and wrote the original article listed under the heading "Title of Article," in paragraph 31 below, for publication in the New York Times. The article appeared on the date indicated.

28. The article contained a substantial amount of material wholly original with plaintiff, which at all times constituted and still constitutes copyrightable subject matter under the laws of the United States.

29. Plaintiff Tasini secured and is entitled to exclusive rights and privileges in and to the copyright of the article under 17 U.S.C. sec. 106.

30. In addition to having been the creator and author of the article, plaintiff Tasini registered the copyright to his article with the Registrar of Copyrights, which subsequently issued a certificate evidencing the registration.

31. The article referred to may be described as follows:

Title of Article	Date of Publication	Date of Registration	Certificate Number
"Can It Be Morning in Teamsterland"	12/31/91	3/8/93	TX3547590

32. Plaintiff Tasini granted the defendant New York Times first, one time, North American print publication rights with respect to the above article. Upon publication of the article in a printed edition of the New York Times, these rights were fully exhausted.

33. At no time did plaintiff Tasini convey, transfer or assign to the defendant New York Times Company or defendant Mead [8] Data Central Company any on-line or database rights nor did plaintiff Tasini agree that either of the defendants could include the article referred to in paragraph 31 above in an electronic database or arrange for its inclusion in a database by a database producer or service.

34. By the same token, at no time did plaintiff Tasini agree to give up exclusive control of the right he had *inter alia* to authorize others to electronically copy his work or to publicly display or perform it.

35. At some point on or after the publication date listed in paragraph 31 above, the defendant New York Times Company provided the defendant Mead Data Central Corporation with a copy of the article referred to there or with an already electronically reproduced version of all or a

portion of the printed issue in which the article appeared. It did so for the purpose of enabling the article it provided *inter alia* to be included in an electronic database.

36. On information and belief, defendant New York Times provided this information pursuant to an agreement or agreements with the defendant Mead Data Central Corporation by the terms of which it licensed Mead to copy the aforementioned article, *inter alia*, and make it available to its subscribers for purposes of display, electronic performance and/or copying.

37. In so doing, the defendants New York Times and Mead not only improperly trafficked in plaintiff's work, but purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

38. After receiving the information referred to in the preceding two paragraphs, the defendant Mead Data Central Corp. itself then either included plaintiff's article in an electronic database or placed the database in which plaintiff's article had already been included on-line so that it could be accessed by persons and/or entities subscribing to its service.

39. Since that time, the article has been available on-line to members of the public or persons or entities using this service.

40. It has been accessed, displayed, downloaded and printed out on at least one occasion.

41. As recently as February 17, 1994, the article was still available on-line.

42. On information and belief, throughout the period plaintiff's article has been on-line, defendant Mead has been promoting NEXIS as *the* database that truly affords subscribers access to full text.

[9] 43. By so advertising itself, defendant Mead has implicitly represented not only that plaintiff's article is on its database, *inter alia*, but also that its subscribers are authorized to access plaintiff's article, and publicly perform, display and/or copy it.

44. On information and belief, at least a portion of defendant Mead Data Central's income has derived from the perception that it can deliver full text.

45. Perceptions aside, neither Defendant New York Times nor defendant Mead Data Central has ever obtained plaintiff Tasini's consent to the inclusion of the article referred to in paragraph 31 in an electronic database, nor to the distribution, transmission and/or communication of an electronic copy of the article to members of the public. Nor has the plaintiff ever endowed either of the defendants with the authority to decide who can display, copy or perform plaintiff's work.

46. Further, neither of said defendants has compensated plaintiff Tasini for their electronic exploitation, usurpation and/or infringement of plaintiff's rights.

47. Notwithstanding these facts, on information and belief, the defendant Mead Data Central Corporation has received income and remitted royalties to the defendant New York Times that derive from and/or are attributable to the infringement of plaintiff's rights.

48. The conduct complained of *inter alia* in paragraphs 35 to 46, above, has violated and continues to violate this plaintiff's exclusive rights under the copyright referred to in paragraph 31 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted work, to prepare derivative works based upon the copyrighted work, to distribute or license distribution of copies of the copyrighted work, to publicly perform or display the copyrighted work or license others to publicly perform or display the copyrighted work on electronic media, and to authorize all of the above.

49. Defendant New York Times is not only liable for its own acts, but is also vicariously liable as a contributory infringer for the infringement effected by the defendant database service.

50. It has contributed to the infringement of plaintiff's rights by the database service in the following manner, *inter alia*: On information and belief, when the New York Times licensed defendant Mead Data Central Corporation to include the article set forth in paragraph 31 within its database and offer it to its subscribers for public display and/or electronic performance and copying, defendant New York Times knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe

plaintiff's copyright. Because the New York Times entered into a licensing arrangement with defendant Mead [10] to allow public display of the infringed article and received royalties for such an arrangement, defendant New York Times caused or materially contributed to the acts of copyright infringement committed by Mead Data Central. As a consequence of these acts, the New York Times participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

51. As a consequence of the defendants' infringement, plaintiff Tasini has suffered, and will continue to suffer, economic losses and injury to his ownership in the aforementioned literary property.

SECOND CAUSE OF ACTION
(Plaintiff Jonathan Tasini Against
Defendants New York Times and
University Microfilms Inc.)

52. Plaintiff Tasini repeats and realleges each and every allegation of the complaint numbered "1" through "51" as if separately set forth at length and incorporated herein.

53. At no time did plaintiff Tasini convey, transfer or assign to the defendant New York Times Company or defendant University Microfilms any CD-ROM or database rights nor did plaintiff Tasini agree that either of the defendants could include the article listed in paragraph 31 above in a CD-ROM based database or arrange for its inclusion in a CD-ROM database by a database producer or service.

54. By the same token, at no time did plaintiff Tasini agree to give up exclusive control of the right he had *inter alia* to authorize others to electronically copy his work or to publicly display or perform it.

55. Notwithstanding this fact, at some point on or after the publication date listed in paragraph 31 above, defendant New York Times Company provided University Microfilms with a copy of the article listed there or with an already electronically reproduced version of all or a portion of the printed issue in which the article appeared. It did so for the purpose of enabling the article it provided *inter alia* to be included in a CD-ROM database.

56. On information and belief, defendant New York Times provided this information pursuant to an agreement or agreements with the defendant University Microfilms by the terms of which it licensed University Microfilms to copy the aforementioned article *inter alia* and make it available to its subscribers for purposes of display, electronic performance and/or copying.

57. In so doing, the defendants New York Times and University Microfilms not only improperly trafficked in plaintiff's work, but [11] purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

58. After receiving the information referred to in the preceding two paragraphs, the defendant University Microfilms itself then either included plaintiff's article in a CD-ROM database or placed the database in which plaintiff's

article was included on a CD-ROM so that it could be accessed by persons and/or entities subscribing to its service or purchasers of its CD-ROMs.

59. Since that time, the article has been replicated, distributed and made available to members of the public or persons or entities who own defendants' CD-ROM products.

60. By including plaintiff's article in its CD-ROM products, defendant University Microfilms has implicitly authorized the purchasers and users of its products to access plaintiff's article and publicly perform and display plaintiff's work.

61. On information and belief, defendant University Microfilms has derived at least a portion of its income from its actual or perceived ability to provide complete text.

62. Neither Defendant New York Times nor defendant University Microfilms ever obtained Plaintiff Tasini's consent to the inclusion of the article listed in paragraph 31 in a CD-ROM database, nor to the marketing and/or distribution of a CD-ROM product including the article.

63. Further, neither of said defendants has compensated Plaintiff Tasini for their electronic exploitation, usurpation and infringement of plaintiff's rights.

64. Notwithstanding these facts, on information and belief, the defendant University Microfilms has received income and remitted royalties to the defendant New York Times that derived from and/or are attributable to the infringement of plaintiff's rights.

65. The conduct complained of *inter alia* in paragraphs 55 to 63 above has violated and continues to violate this plaintiff's exclusive rights under the copyright referred to in paragraph 31 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted work, to prepare derivative works based upon the copyrighted work, to distribute or license distribution of copies of the copyrighted work, to publicly perform or display the copyrighted work or license others to publicly perform or display the copyrighted work on electronic media, and to authorize all of the above.

66. Defendant New York Times is not only liable for its own [12] acts, but is also vicariously liable as a contributory infringer for the infringement effected by the defendant University Microfilms.

67. Defendant New York Times has contributed to the infringement in the following manner, *inter alia*: On information and belief, when the New York Times licensed defendant University Microfilms Inc. to include the article set forth in paragraph 31 within its database and offer them to its subscribers for public display and/or electronic performance and copying, defendant New York Times knew or had reason to know that defendant University Microfilms planned to engage in conduct that would infringe plaintiff's copyright. Because the New York Times entered into a licensing arrangement with defendant University Microfilms to allow public display of the infringed article and received royalties for such an arrangement, defendant New York Times caused or materially contributed to the acts of copyright infringement committed by the University Microfilms. As a

consequence of these acts, the New York Times participated in, supervised and controlled the infringements committed by defendant University Microfilms. As a further consequence, it is vicariously liable for those infringements.

68. As a consequence of the defendants' infringement, plaintiff Tasini has suffered, and will continue to suffer, economic losses and injury to his ownership in the aforementioned literary properties.

* * *

[40] * * *

THIRTEENTH CAUSE OF ACTION
(Plaintiff Jonathan Tasini Against
Defendants Newsday, Inc. and
Mead Data Central Corporation)

284. Plaintiff Tasini repeats and realleges each and every allegation of the complaint numbered "1" through "283" as if separately set forth at length and incorporated herein.

285. On or before the dates set forth below under the heading "Date of Publication," plaintiff Tasini created and wrote the original articles listed under the heading "Title of Article," for publication in Newsday. The articles appeared on the dates indicated.

286. The articles contained a substantial amount of material wholly original with plaintiff, which at all times constituted and still constitutes copyrightable subject matter under the laws of the United States.

287. Plaintiff Tasini secured and is entitled to exclusive rights and privileges in and to the copyright of each article under [41] 17 U.S.C. sec. 106.

288. In addition to having been the creator and author of each article, plaintiff Tasini registered each with the Registrar of Copyrights and subsequently received a certificate from the Copyright Office evidencing the registration.

289. The articles meeting this description include:

Title of Article	Date of Publication	Date of Registration	Certificate Number
"Say Adios to American Jobs"	10/28/92	3/8/93	TX 3 547 593
"A Union Boss's Labor Pains"	4/16/93	6/2/93	TX 3 547 589

290. Plaintiff Tasini granted defendant Newsday first, one time, North American print publication rights with respect to each of the above articles. Upon the publication of each article in a printed edition of Newsday, these rights were fully exhausted.

291. At no time did plaintiff Tasini convey, transfer or assign to defendant Newsday Inc. or defendant Mead Data Central Company any on-line or database rights nor did plaintiff Tasini agree that either of the defendants could include any of the articles listed in paragraph 289 above in an electronic database or arrange for their inclusion in a database by a database producer or service.

292. By the same token, at no time did plaintiff Tasini agree to give up exclusive control of the right he had *inter alia* to authorize others to electronically copy his work or to publicly display or perform it.

293. At some point on or after the publication dates listed in paragraph 289 above, the defendant Newsday Inc. provided the defendant Mead Data Central Corporation with a copy of each article listed there or with an already electronically reproduced version of all or a portion of the printed issue in which each article appeared. It did so for the purpose of enabling the articles it provided *inter alia* to be included in an electronic database.

294. On information and belief, defendant Newsday provided these materials and/or information pursuant to an agreement or agreements with the defendant Mead Data Central Corporation by the terms of which it licensed Mead to copy each of the aforementioned articles, *inter alia*, and make them available to its subscribers for purposes of display, electronic performance and/or copying.

[42] 295. In so doing, the defendants Newsday and Mead not only improperly trafficked in plaintiff's work, but purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

296. After receiving the materials and/or information referred to in the preceding two paragraphs, the defendant Mead Data Central Corp. itself then either included each of plaintiff's articles in an electronic database or placed each of the databases in which plaintiff's articles had already been included on-line so that they could be accessed by persons and/or entities subscribing to its service.

297. Since that time, each of the articles has been available on-line to members of the public or persons or entities using this service.

298. Each of them has been accessed, displayed, downloaded and printed out on at least one occasion.

299. As recently as February 17, 1994, each of the articles was still available on-line.

300. On information and belief, throughout the period plaintiff's articles have been on-line, defendant Mead has been promoting NEXIS as *the* database that truly affords subscribers access to full text.

301. By so advertising itself, defendant Mead has implicitly represented not only that plaintiff's articles are on its database, *inter alia*, but also that its subscribers are authorized to access plaintiff's articles, and publicly perform, display and/or copy them.

302. On information and belief, at least a portion of defendant Mead Data Central's income has derived from the perception that it can deliver full text.

303. Perceptions aside, neither defendant Newsday nor defendant Mead Data Central has ever obtained plaintiff Tasini's consent to the inclusion of the articles referred to in paragraph 289 in an electronic database, nor to the distribution, transmission and/or communication of an electronic copy of those articles to members of the public. Nor has the plaintiff ever endowed either of the defendants with the authority to decide who can display, copy or perform plaintiff's work.

304. Further, neither of said defendants has compensated plaintiff Tasini for their electronic exploitation, usurpation and/or infringement of plaintiff's rights.

305. Notwithstanding these facts, on information and belief, [43] the defendant Mead Data Central Corporation has received income and remitted royalties to the defendant Newsday that derive from and/or are attributable to the infringement of plaintiff's rights.

306. The conduct complained of *inter alia* in paragraphs 293 to 304, above, has violated and continues to violate this plaintiff's exclusive rights under the copyrights referred to in paragraph 289 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted works, to prepare derivative works based upon the copyrighted works, to distribute or license distribution of copies of the copyrighted works, to publicly perform or display the copyrighted works or license others to publicly perform or display the copyrighted works on electronic media, and to authorize all of the above.

307. Defendant Newsday is not only liable for its own acts, but is also vicariously liable as a contributory infringer for the infringements effected by the defendant database service.

308. It has contributed to the infringement of plaintiff's rights by the database service in the following manner, *inter alia*: On information and belief, when Newsday licensed defendant Mead Data Central Corporation to include the articles set forth in paragraph 289 within its database and offer it to its subscribers for public display and/or electronic

performance and copying, defendant Newsday knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe plaintiff's copyrights. Because Newsday entered into a licensing arrangement with defendant Mead to allow public display of the infringed articles and received royalties for such an arrangement, defendant Newsday caused or materially contributed to the acts of copyright infringement committed by Mead Data Central. As a consequence of these acts, Newsday participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

309. As a consequence of the defendants various infringements, plaintiff Tasini has suffered, and will continue to suffer, economic losses and injury to his ownership in the aforementioned literary properties.

* * *

[50] . . . rights by the database service in the following manner, *inter alia*: On information and belief, when Newsday licensed defendant Mead Data Central Corporation to include the articles set forth in paragraph 341 within its database and offer it to its subscribers for public display and/or electronic performance and copying, defendant Newsday knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe plaintiff's copyrights. Because Newsday entered into a licensing arrangement with defendant Mead to allow public display of the infringed articles and received royalties for such an arrangement, defendant Newsday caused or

materially contributed to the acts of copyright infringement committed by Mead Data Central. As a consequence of these acts, Newsday participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

361. As a consequence of the defendants' various infringements, plaintiff Lazare has suffered, and will continue to suffer, economic losses and injury to his ownership in the aforementioned literary properties.

SIXTEENTH CAUSE OF ACTION
(Plaintiff Barbara Garson Against
Defendants Newsday, Inc. and
Mead Data Central Corporation)

362. Plaintiff Garson repeats and realleges each and every allegation of the complaint numbered "1" through "361" as if separately set forth at length and incorporated herein.

363. On or before the dates set forth below under the heading "Date of Publication," plaintiff Garson created and wrote the original articles listed under the heading "Title of Article," for publication in Newsday. The articles appeared on the dates indicated.

364. The articles contained a substantial amount of material wholly original with plaintiff, which at all times constituted and still constitutes copyrightable subject matter under the laws of the United States.

365. Plaintiff Garson secured and is entitled to exclusive rights and privileges in and to the copyright of each article under 17 U.S.C. sec. 106.

366. In addition to having been the creator and author of each article, plaintiff Garson registered each with the Registrar of Copyrights and subsequently received a certificate from the Copyright Office evidencing the registration.

367. The articles meeting this description include:

[51] Title of Article	Date of Publication	Date of Registration	Certificate Number
"Health Care Vs. Death Care"	11/12/91	6/24/93	TX3602470
"The Common Good is Swept Aside by" the 'Me Generation'	11/17/91	6/24/93	TX3602473
"In 'JFK' We Feel the Pull of Our Lost Innocence"	1/19/92	6/24/93	TX3602472
"Networks that Serve the Unconnected"	6/28/92	6/24/93	TX3602468

368. Plaintiff Garson granted defendant Newsday first, one time, North American print publication rights with

respect to each of the above articles. Upon the publication of each article in a printed edition of Newsday, these rights were fully exhausted.

369. At no time did plaintiff Garson convey, transfer or assign to defendant Newsday Inc. or defendant Mead Data Central Company any on-line or database rights nor did plaintiff Garson agree that either of the defendants could include any of the articles listed in paragraph 367 above in an electronic database or arrange for their inclusion in a database by a database producer or service.

370. By the same token, at no time did plaintiff Garson agree to give up exclusive control of the right she had *inter alia* to authorize others to electronically copy her work or to publicly display or perform it.

371. At some point on or after the publication dates listed in paragraph 367 above, the defendant Newsday Inc. provided the defendant Mead Data Central Corporation with a copy of each article listed there or with an already electronically reproduced version of all or a portion of the printed issue in which each article appeared. It did so for the purpose of enabling the articles it provided *inter alia* to be included in an electronic database.

372. On information and belief, defendant Newsday provided these materials and/or information pursuant to an agreement or agreements with the defendant Mead Data Central Corporation by the terms of which it licensed Mead to copy each of the aforementioned articles, *inter alia*, and make them available to its subscribers for purposes of display, electronic performance and/or copying.

373. In so doing, the defendants Newsday and Mead not only [52] improperly trafficked in plaintiff's work, but purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

374. After receiving the materials and/or information referred to in the preceding two paragraphs, the defendant Mead Data Central Corp. itself then either included each of plaintiff's articles in an electronic database or placed each of the databases in which plaintiff's articles had already been included on-line so that they could be accessed by persons and/or entities subscribing to its service.

375. Since that time, each of the articles has been available on-line to members of the public or persons or entities using this service.

376. Each of them has been accessed, displayed, downloaded and printed out on at least one occasion.

377. As recently as February 18, 1994, each of the articles was still available on-line.

378. On information and belief, throughout the period plaintiff's articles have been on-line, defendant Mead has been promoting NEXIS as *the* database that truly affords subscribers access to full text.

379. By so advertising itself, defendant Mead has implicitly represented not only that plaintiff's articles are on its database, *inter alia*, but also that its subscribers are

authorized to access plaintiff's articles, and publicly perform, display and/or copy them.

380. On information and belief, at least a portion of defendant Mead Data Central's income has derived from the perception that it can deliver full text.

381. Perceptions aside, neither defendant Newsday nor defendant Mead Data Central has ever obtained plaintiff Garson's consent to the inclusion of the articles referred to in paragraph 367 in an electronic database, nor to the distribution, transmission and/or communication of an electronic copy of those articles to members of the public. Nor has the plaintiff ever endowed either of the defendants with the authority to decide who can display, copy or perform plaintiff's work.

382. Further, neither of said defendants has compensated plaintiff Garson for their electronic exploitation, usurpation and/or infringement of plaintiff's rights.

383. Notwithstanding these facts, on information and belief, the defendant Mead Data Central Corporation has received income and [53] remitted royalties to the defendant Newsday that derive from and/or are attributable to the infringement of plaintiff's rights.

384. The conduct complained of *inter alia* in paragraphs 371 to 382, above, has violated and continues to violate this plaintiff's exclusive rights under the copyrights referred to in paragraph 367 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted works, to prepare derivative works based upon the copyrighted works, to distribute or license distribution

of copies of the copyrighted works, to publicly perform or display the copyrighted works or license others to publicly perform or display the copyrighted works on electronic media, and to authorize all of the above.

385. Defendant Newsday is not only liable for its own acts, but is also vicariously liable as a contributory infringer for the infringements effected by the defendant database service.

386. It has contributed to the infringement of plaintiff's rights by the database service in the following manner, *inter alia*: On information and belief, when Newsday licensed defendant Mead Data Central Corporation to include the articles set forth in paragraph 367 within its database and offer it to its subscribers for public display and/or electronic performance and copying, defendant Newsday knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe plaintiff's copyrights. Because Newsday entered into a licensing arrangement with defendant Mead to allow public display of the infringed articles and received royalties for such an arrangement, defendant Newsday caused or materially contributed to the acts of copyright infringement committed by Mead Data Central. As a consequence of these acts, Newsday participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

387. As a consequence of the defendants' various infringements, plaintiff Garson has suffered, and will continue to suffer, economic losses and injury to her ownership in the aforementioned literary properties.

SEVENTEENTH CAUSE OF ACTION
(Plaintiff David Whitford Against
Defendants Newsday, Inc. and
Mead Data Central Corporation)

388. Plaintiff Whitford repeats and realleges each and every allegation of the complaint numbered "1" through "387" as if separately set forth at length and incorporated herein.

389. On or before the dates set forth below under the heading "Date of Publication," plaintiff Whitford created and wrote the [54] original article referred to under the heading "Title of Article," for publication in Newsday. The article appeared on the date indicated.

390. The article contained a substantial amount of material wholly original with plaintiff, which at all times constituted and still constitutes copyrightable subject matter under the laws of the United States.

391. Plaintiff Whitford secured and is entitled to exclusive rights and privileges in and to the copyright of the article under 17 U.S.C. sec. 106.

392. In addition to having been the creator and author of the article, plaintiff Whitford registered the copyright in his article with the Registrar of Copyrights and subsequently received a certificate from the Copyright Office evidencing the registration.

393. The article referred to may be described as follows:

Title of Article	Date of Publication	Date of Registration	Certificate Number
"Baseball, A Business, Is Striking Out"	8/14/92	6/1/93	TX3568919

394. Plaintiff Whitford granted defendant Newsday first, one time, North American print publication rights with respect to the above article. Upon publication of the article in a printed edition of Newsday, these rights were fully exhausted.

395. At no time did plaintiff Whitford convey, transfer or assign to defendant Newsday Inc. or defendant Mead Data Central Company any on-line or database rights nor did plaintiff Whitford agree that either of the defendants could include the article referred to in paragraph 393 above in an electronic database or arrange for its inclusion in a database by a database producer or service.

396. By the same token, at no time did plaintiff Whitford agree to give up exclusive control of the right he had *inter alia* to authorize others to electronically copy his work or to publicly display or perform it.

397. At some point on or after the publication date referred to in paragraph 393 above, the defendant Newsday Inc. provided the defendant Mead Data Central Corporation with a copy of plaintiff's article or with an already

electronically reproduced version of all or a portion of the printed issue in which plaintiff's article appeared. It did so for the purpose of enabling the article it provided *inter alia* to be included in an electronic database.

[55] 398. On information and belief, defendant Newsday provided this material and/or information pursuant to an agreement or agreements with the defendant Mead Data Central Corporation by the terms of which it licensed Mead to copy the aforementioned article, *inter alia*, and make it available to its subscribers for purposes of display, electronic performance and/or copying.

399. In so doing, the defendants Newsday and Mead not only improperly trafficked in plaintiff's work, but purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

400. After receiving the materials and/or information referred to in the preceding two paragraphs, the defendant Mead Data Central Corp. itself then either included plaintiff's article in an electronic database or placed the database in which plaintiff's article had already been included on-line so that it could be accessed by persons and/or entities subscribing to its service.

401. Since that time, plaintiff's article has been available on-line to members of the public or persons or entities using this service.

402. It has been accessed, displayed, downloaded and printed out on at least one occasion.

403. As recently as February 18, 1994, the article was still available on-line.

404. On information and belief, throughout the period plaintiff's articles have been on-line, defendant Mead has been promoting NEXIS as *the* database that truly affords subscribers access to full text.

405. By so advertising itself, defendant Mead has implicitly represented not only that plaintiff's article is on its database, *inter alia*, but also that its subscribers are authorized to access plaintiff's article, and publicly perform, display and/or copy it.

406. On information and belief, at least a portion of defendant Mead Data Central's income has derived from the perception that it can deliver full text.

407. Perceptions aside, neither defendant Newsday nor defendant Mead Data Central has ever obtained plaintiff Whitford's consent to the inclusion of the articles referred to in paragraph 393 in an electronic database, nor to the distribution, transmission and/or communication of an electronic copy of the article to members of the public. Nor has the plaintiff ever endowed either of the defendants with the authority to decide who can display, copy or perform plaintiff's work.

[56] 408. Further, neither of said defendants has compensated plaintiff Whitford for their electronic exploitation, usurpation and/or infringement of plaintiff's rights.

409. Notwithstanding these facts, on information and belief, the defendant Mead Data Central Corporation has received income and remitted royalties to the defendant Newsday that derive from and/or are attributable to the infringement of plaintiff's rights.

410. The conduct complained of *inter alia* in paragraphs 397 to 408, above, has violated and continues to violate this plaintiff's exclusive rights under the copyright referred to in paragraph 393 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted work, to prepare derivative works based upon the copyrighted work, to distribute or license distribution of copies of the copyrighted work, to publicly perform or display the copyrighted work or license others to publicly perform or display the copyrighted work on electronic media, and to authorize all of the above.

411. Defendant Newsday is not only liable for its own acts, but is also vicariously liable as a contributory infringer for the infringement effected by the defendant database service.

412. It has contributed to the infringement of plaintiff's rights by the database service in the following manner, *inter alia*: On information and belief, when Newsday licensed defendant Mead Data Central Corporation to include the article set forth in paragraph 393 within its database and offer

it to its subscribers for public display and/or electronic performance and copying, defendant Newsday knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe plaintiff's copyright. Because Newsday entered into a licensing arrangement with defendant Mead to allow public display of — the infringed article and received royalties for such an arrangement, defendant Newsday caused or materially contributed to the acts of copyright infringement committed by Mead Data Central. As a consequence of these acts, Newsday participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

413. As a consequence of the defendants' infringement, plaintiff Whitford has suffered, and will continue to suffer, economic losses and injury to his ownership in the aforementioned literary property.

* * *

[60] NINETEENTH CAUSE OF ACTION
(Plaintiff David Whitford Against
Defendants Time Inc. Magazine Co. and
Mead Data Central Corporation)

440. Plaintiff Whitford repeats and realleges each and every allegation of the complaint numbered "1" through "439" as if separately set forth at length and incorporated herein.

441. On or before the dates set forth below under the heading "Date of Publication," plaintiff Whitford created and wrote the original article referred to under the heading "Title of Article," for publication in Sports Illustrated. The article appeared on the date indicated.

442. The article contained a substantial amount of material wholly original with plaintiff, which at all times constituted and still constitutes copyrightable subject matter under the laws of the United States.

443. Plaintiff Whitford secured and is entitled to exclusive rights and privileges in and to the copyright of the article under 17 U.S.C. sec. 106.

444. In addition to having been the creator and author of the article, plaintiff Whitford registered the copyright to his article with the Registrar of Copyrights and subsequently received a certificate from the Copyright Office evidencing the registration.

445. The article referred to may be described as follows:

Title of Article	Date of Publication	Date of Registration	Certificate Number
"Glory Amid Grief"	7/15/91	6/01/93	TX3567078

446. Plaintiff Whitford granted defendant Time Inc. Magazine Co. first, one time, North American print publication rights with respect to the above article. Upon publication of the article in a printed edition of Sports Illustrated, these rights were fully exhausted.

447. At no time did plaintiff Whitford convey, transfer or assign to defendant Time Inc. Magazine Co. or defendant Mead Data Central Company any on-line or database rights nor did plaintiff Whitford agree that either of the defendants could include the article referred to in paragraph 445 above in an electronic database or arrange for its inclusion in a database by a database producer or service.

448. By the same token, at no time did plaintiff Whitford agree to give up exclusive control of the right he had *inter alia* [61] to authorize others to electronically copy his work or to publicly display or perform it.

449. At some point on or after the publication date referred to in paragraph 445 above, the defendant Time Inc. Magazine Co. provided the defendant Mead Data Central Corporation with a copy of plaintiff's article or with an already electronically reproduced version of all or a portion of the printed issue in which plaintiff's article appeared. It did so for the purpose of enabling the article it provided *inter alia* to be included in an electronic database.

450. On information and belief, defendant Time Inc. Magazine Co. provided this material and/or information pursuant to an agreement or agreements with the defendant Mead Data Central Corporation by the terms of which it licensed Mead to copy the aforementioned article, *inter alia*, and make it available to its subscribers for purposes of display, electronic performance and/or copying.

451. In so doing, the defendants Time Inc. Magazine Co. and Mead not only improperly trafficked in plaintiff's

work, but purported to appropriate to themselves the right to authorize others to copy, perform, display and/or distribute plaintiff's work.

452. After receiving the materials and/or information referred to in the preceding two paragraphs, the defendant Mead Data Central Corp. itself then either included plaintiff's article in an electronic database or placed the database in which plaintiff's article had already been included on-line so that it could be accessed by persons and/or entities subscribing to its service.

453. Since that time, plaintiff's article has been available on-line to members of the public or persons or entities using this service.

454. It has been accessed, displayed, downloaded and printed out on at least one occasion.

455. As recently as February 18, 1994, the article was still available on-line.

456. On information and belief, throughout the period plaintiff's articles have been on-line, defendant Mead has been promoting NEXIS as *the* database that truly affords subscribers access to full text.

457. By so advertising itself, defendant Mead has implicitly represented not only that plaintiff's article is on its database, *inter alia*, but also that its subscribers are authorized to access plaintiff's article, and publicly perform, display and/or copy it.

[62] 458. On information and belief, at least a portion of defendant Mead Data Central's income has derived from the perception that it can deliver full text.

459. Perceptions aside, neither Defendant Time Inc. nor defendant Mead Data Central has ever obtained plaintiff Whitford's consent to the inclusion of the article referred to in paragraph 445 in an electronic database, nor to the distribution, transmission and/or communication of an electronic copy of the article to members of the public. Nor has the plaintiff ever endowed either of the defendants with the authority to decide who can display, copy or perform plaintiff's work.

460. Further, neither of said defendants has compensated plaintiff Whitford for their electronic exploitation, usurpation and/or infringement of plaintiff's rights.

461. Notwithstanding these facts, on information and belief, the defendant Mead Data Central Corporation has received income and remitted royalties to the defendant Time Inc. Magazine Co. that derive from and/or are attributable to the infringement of plaintiff's rights.

462. The conduct complained of *inter alia* in paragraphs 449 to 460, above, has violated and continues to violate this plaintiff's exclusive rights under the copyright referred to in paragraph 445 above in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted work, to prepare derivative works based upon the copyrighted work, to distribute or license distribution of copies of the copyrighted work, to publicly perform or

display the copyrighted work or license others to publicly perform or display the copyrighted work on electronic media, and to authorize all of the above.

463. Defendant Time Inc. Magazine Co. is not only liable for its own acts, but is also vicariously liable as a contributory infringer for the infringement effected by the defendant database service.

464. It has contributed to the infringement of plaintiff's rights by the database service in the following manner, *inter alia*: On information and belief, when Time Inc. Magazine Co. licensed defendant Mead Data Central Corporation to include the article set forth in paragraph 462 within its database and offer it to its subscribers for public display and/or electronic performance and copying, defendant Time Inc. Magazine Co. knew or had reason to know that defendant Mead Data Central Corporation planned to engage in conduct that would infringe plaintiff's copyright. Because Time Inc. Magazine Co. entered into a licensing arrangement with defendant Mead to allow public display of the infringed article and received royalties for such an arrangement, defendant Time Inc. Magazine Co. caused or materially contributed to the acts of [463] copyright infringement committed by Mead Data Central. As a consequence of these acts, Time Inc. Magazine Co. participated in, supervised and controlled the infringements committed by defendant Mead. As a further consequence, it is vicariously liable for those infringements.

465. As a consequence of the defendants' various infringements, plaintiff Whitford has suffered, and will

continue to suffer, economic losses and injury to his ownership in the aforementioned literary property.

* * *

[68] * * *

WHEREFORE, Plaintiffs pray for the following relief:

509. The issuance of a preliminary injunction enjoining defendants, and all other persons working in concert with them, from in any way copying, making a derivative work from, distributing, broadcasting, communicating or transmitting electronic copies of or otherwise electronically exploiting the articles heretofore mentioned.

510. The issuance of a permanent injunction enjoining Defendants, and all other persons working in concert with them, from in any way copying, making a derivative work from, distributing, broadcasting, communicating or transmitting [69] electronic copies of or otherwise electronically exploiting or authorizing others to exploit the articles heretofore mentioned.

511. The issuance of a declaratory judgement pursuant to 28 U.S.C. § 2201 declaring that the incorporation of plaintiffs' articles into an electronic database and the placement of their articles on CD-ROM without the authors' consent constituted copyright infringement within the meaning of the Copyright Act.

512. Judgment against defendants, jointly and severally, awarding to plaintiffs, *inter alia*, damages measured by the profits defendants derived from their unlawful infringement.

513. In those instances in which plaintiffs registered their copyright with the Registrar of Copyrights within three (3) months of publication, judgment against the defendants for statutory damages.

514. An award to plaintiffs of their costs and attorneys' fees incurred in this action.

515. Such other relief as the Court deems just and proper.

Dated: February 24, 1994
New York, New York

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(212) 953-4300

Counsel for Plaintiffs

ANSWER TO AMENDED COMPLAINT, DATED MAY 6, 1994, pp. 1, 69-70

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, BARBARA BELEJACK, MARY KAY BLAKELY, BARBARA GARSON, DANIEL LAZARE, MARGOT MIFFLIN, JOAN OLECK, SONIA JAFFE ROBBINS, LINDSY VAN GELDER, DAVID S. WHITFORD and H. BRUCE FRANKLIN

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY COMPANY, MEAD DATA CENTRAL and UNIVERSITY MICROFILMS INC.

Defendants.

ANSWER OF DEFENDANTS THE NEW YORK TIMES COMPANY, NEWSDAY INC., TIME INC., THE MEAD CORPORATION, AND UNIVERSITY MICROFILMS INC.

Answer to Amended Complaint

Defendants The New York Times Company, Newsday Inc., Time Inc., Mead Corporation ("Mead"), improperly named in the amended complaint as Mead Data Central Corp., and University Microfilms Inc. ("UMI") (collectively, ...

[69] * * *

FIRST AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the statutory rights granted pursuant to 17 U.S.C. § 201(c).

SECOND AFFIRMATIVE DEFENSE

The Defendants' alleged conduct is protected by the doctrine of fair use under the Copyright Act.

[70] THIRD AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the contractual agreements between the parties.

FOURTH AFFIRMATIVE DEFENSE

The plaintiffs' claims for relief fail to state a claim upon which relief can be granted.

FIFTH AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the doctrine of waiver.

Answer to Amended Complaint

SIXTH AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the doctrine of estoppel.

SEVENTH AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the doctrine of laches.

EIGHTH AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the doctrine of unclean hands.

NINTH AFFIRMATIVE DEFENSE

The plaintiffs' claims are barred by the statute of limitations.

* * * *

AFFIDAVIT OF EMILY BASS, ESQ., DATED MARCH 15, 1996 IN SUPPORT OF PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 CIV 8678(SS)

JONATHAN TASINI, et al.

Plaintiffs

– against –

THE NEW YORK TIMES CO.,
NEWSDAY, INC., et al.

Defendants

AFFIDAVIT OF EMILY BASS, ESQ. IN SUPPORT OF PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT ON THE ISSUE OF LIABILITY

STATE OF NEW YORK)
) s.s.:
COUNTY OF NEW YORK)

Emily Bass, Esq., being duly sworn, deposes and says:

That I am a member of the law firm of Burstein & Bass, counsel to the plaintiffs' in this matter. I submit this affidavit for the express purpose of setting before the Court the pleadings, depositions, affidavits, stipulations, admissions

and other documents, and the facts that derive therefrom, on the basis of which the plaintiffs in this matter are entitled to summary judgment on the issue of liability with respect to their copyright claims under Rule 56, Fed.R.Civ.P.

I myself prepared the Rule 3(g) statements that are also being submitted in connection with this motion and I have reviewed the averments in both the 3(g) statements and in this affidavit to assure myself — and have assured myself — that they are supported by materials that would be admissible in evidence.

Introductory Observations:

In its essence, this is a simple case. And if it were possible to make a supporting affidavit directly-on-line, the thick appendices and the dense paragraphs which follow could be omitted. The problem is we are constrained to talk about the way things work in a new technological environment using words only, not a colorful multimedia show. As well, unless we could all sit together and search a NEXIS database or a CD-ROM, we cannot demonstrate how many times the Plaintiffs' rights to be compensated for the product of their imagination and intelligence have been infringed.

Unfortunately, it takes longer to draw a clear picture on paper than it does with a mouse and a computer screen. Because Plaintiffs cannot "show," therefore, and have to "tell," they needed very detailed 3(g) Statements and because publisher Defendants have asserted confidentiality concerns, even among themselves, plaintiffs felt it was wise to prepare

three 3(g) Statements, laying out the circumstances affecting those publishers with great particularity. The instant affidavit represents a synthesis of those three statements. It aims to recite, in a coherent narrative, how by pretending to an identity of a medium that is counter to reality, defendants have wrongfully appropriated the plaintiffs' property and violated their obligations to the plaintiffs under the copyright laws of the United States.

A. *A JOURNEY THROUGH THE NEW TECHNOLOGIES*

Plaintiffs Write Their Articles

1. Plaintiffs are six freelance writers who make their living writing for a variety of newspapers and magazines. (Exh. 21 ¶¶ 1, 2, 3, 32; Exh. 22 ¶¶ 1, 2, 3, 27; Exh. 23 ¶¶ 1, 2, 3, 17). They wrote the articles that are the subject of this action for publication in *The New York Times*, *Newsday* and *Sports Illustrated*, respectively. (Works # 1 through 12 were written for *The New York Times*; works # 13 through 20, for *Newsday*, and work # 21, for *Sports Illustrated*. See chart below for title and author of each work.) (See Exh. 7 and 8 ¶¶ 31, 74, 246, 289, 367, 393, 419; Exh. 21 ¶¶ 4, 6, 9 and 27; Exh. 1). Each plaintiff was the sole author of his or her article for purposes of the Copyright Act and wrote the article on a freelance basis and not as a "work for hire." (Exh. 21 ¶¶ 1, 2, 4; Exh. 22 ¶ 4; Exh. 23 ¶ 4; Exh. 25).

Affidavit of Emily Bass

Each Article Is Included In A Collective Work, i.e., In An Issue Of The New York Times, Newsday or Sports Illustrated

2. Each article was then printed as part of a collective work — i.e., an issue of *The New York Times*, *Newsday* and/or *Sports Illustrated*. (See the fifth column of the chart for the dates on which they were published.) (Exh. 7 and 8 at ¶¶ 27, 70, 242, 285, 363, 389; Exh. 21 ¶¶ 4, 6, 9 and 27; Exh. 1).

		ARTICLES IN THE NEW YORK TIMES					
work	plaintiff-author	article	cause of action	pub date	article as appeared in periodical	article as appears when retrieved from NEXIS	article as appears when printed from NYTOD
1	Tasini	Can It Be Morning in Teamsterland?	1st&2nd ¶¶ 26-58	12/13/91	Exhibit 1	Exhibit 2	Exhibit 3
2	Mifflin	The Auteur Theory of Music Video Means No More Pretty Cliches	3rd & 4th ¶¶ 9-111	01/20/91	Exhibit 1	Exhibit 2	Exhibit 3
3	Mifflin	Down by the River	3rd & 4th ¶¶ 69-111	02/17/91	Exhibit 1	Exhibit 2	Exhibit 3
4	Mifflin	A Spectator in Morocco	3rd & 4th ¶¶ 69-111	04/07/91	Exhibit 1	Exhibit 2	Exhibit 3
5	Mifflin	England's Dreaming	3rd & 4th ¶¶ 69-111	04/26/92	Exhibit 1	Exhibit 2	Exhibit 3
6	Mifflin	They're Morocco Bound	3rd & 4th ¶¶ 69-111	11/22/92	Exhibit 1	Exhibit 2	Exhibit 3
7	Mifflin	A Little Ismael	3rd & 4th ¶¶ 69-111	05/16/93	Exhibit 1	Exhibit 2	Exhibit 3
8	Mifflin	Beyond Recognition	3rd & 4th ¶¶ 69-111	07/25/93	Exhibit 1	Exhibit 2	Exhibit 3
9	Mifflin	The Desert	3rd & 4th ¶¶ 69-111	10/31/93	Exhibit 1	Exhibit 2	Exhibit 3
10	Blakely	The Heart Is A Large Place	11th& 12th ¶¶ 241-283	04/29/90	Exhibit 1	Exhibit 2	Exhibit 3
11	Blakely	Who Did It? And What Does It All Mean?	11th&12th ¶¶ 241-283	09/02/90	Exhibit 1	Exhibit 2	Exhibit 3
12	Blakely	Remembering Jane	11th&12th ¶¶ 241-283	09/23/90	Exhibit 1	Exhibit 2	Exhibit 3

Affidavit of Emily Bass

		ARTICLES IN NEWSDAY					
work	plaintiff	article	cause of action	pub date	article as appeard in periodical	article as appears when retrieved from NEXIS	
13	Tasini	Say Adios to American Jobs	13th ¶¶ 284-309	10/26/92	Exhibit 1	Exhibit 2	
14	Tasini	A Union Boss' Labor Pains	13th ¶¶ 284-309	04/16/93	Exhibit 1	Exhibit 2	
15	Garson	Health Care vs Death Care	16th ¶¶ 362-387	11/12/91	Exhibit 1	Exhibit 2	
16	Garson	The Common Good is Swept Away by the 'Me Generation'	16th ¶¶ 362-387	11/24/91	Exhibit 1	Exhibit 2	
17	Garson	In 'JFK' We Feel the Pull of Our Lost Innocence	16th ¶¶ 362-387	01/10/92	Exhibit 1	Exhibit 2	
18	Garson	Networks That Serve the Unconnected	16th ¶¶ 362-387	06/28/92	Exhibit 1	Exhibit 2	
19	Whitford	Baseball: A Business, is Striking Out	17th ¶¶ 388-413	08/14/92	Exhibit 1	Exhibit 2	
20	Robbins	I Say Legal They Say Dirty	18th ¶¶ 414-439	06/17/91	Exhibit 1	Exhibit 2	

		ARTICLE IN SPORTS ILLUSTRATED					
work	plaintiff	article	cause of action	pub date	article as appeard in periodical	article as appears when retrieved from NEXIS	article as appears when printed from NYTOD
21	Whitford	Glory Amid Grief	19th ¶¶ 440-465	07/15/91	Exhibit 1	Exhibit 2	Exhibit 3

Production of The Newspaper Or Magazine

3. Plaintiffs submitted their articles, respectively, to *The New York Times*, *Newsday* and *Sports Illustrated* and those publications accepted plaintiffs' articles for publication. (Exh. 21 ¶¶ 5, 6; Exh. 22 ¶¶ 5, 6, Exh. 23 ¶¶ 7, 8). Employees at each of the defendant-publishers then keyed the text of plaintiffs' work into their ATEX computer word-processing system. (Exh. 28 ¶ 1, Exh. 29 ¶ 1, Exh. 30 ¶ 1). After each article was entered, other employees made formatting, lay-out and headline decisions, and entered coding for the lay-out and page placement decisions as part of the ATEX file. (Exh. 28 ¶ 2, 3; Exh. 29 ¶ 2, 3; Exh. 30 ¶ 2, 3).

4. Each file was then sent, together with files for other articles that were to appear in the same edition of the newspaper, through a process that inserted the necessary instructions or codes in each for the typesetter. (Exh. 28 ¶ 3; Exh. 30 ¶ 3; Exh. 29 ¶ 3). The files were then sent electronically to the typesetter, which printed the text of the articles in accordance with the codes embedded in the electronic files. (Exh. 28 ¶ 4; Exh. 29 ¶ 4; Exh. 30 ¶ 3, 7). The printed text was then cut and pasted, along with commercial advertising, photos and other graphics and other material, onto what are known as "mechanicals" — which resemble full pages of the publication, ready for photomechanical or electronic reproduction. (Id.)

5. In the case of The New York Times and Sports Illustrated, once they were in final form, digital images of the "mechanicals" were electronically sent to the publishers' printing plants. (Exh. 28 ¶ 6; Exh. 33 at 57-58; Exh. 30 ¶ 7). Equipment there received the digital images and produced negative images of each page. (Id.). The negatives were then used to produce the "plates" that were used to print the newspapers. (Id.)

6. In the case of Newsday, the "mechanicals" were photographed and negatives produced from the photographs. (Exh. 29 ¶ 6). As with The New York Times and Sports Illustrated, plates were then made from the negatives and the newspaper printed from the plates. (Id).

Affidavit of Emily Bass

The Publishers Hold The Copyright In the Collective Works

Plaintiffs Hold The Copyright in The Individual Articles

7. The publishers hold the copyright in these collective works.[1] See 17 U.S.C. 201(c) (Exh. 5 at NYT000292-320, N000096-101, T000005-6)[2]. Each of the plaintiffs still holds the copyright in his or her individual articles. Id.

8. The defendants registered the copyright in their collective works at or about the time the issues were published. (Exh. 21 ¶ 8; Exh. 21, table 6; Exh. 5 at NYT000319-320, NYT000315-316, NYT000309-310, NYT000294-302; Exh. 22 ¶ 8; Exh. 23 ¶ 6) Their registrations clearly note that the publishers are claiming copyright in a "collective work" and not in individual articles. (Exh. 5 at NYT000319-320, N000096-01). Plaintiffs

1. The Copyright Act defines the term "collective work" as a particular species of "compilation" . . . "such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." 17 U.S.C. § 101 ("collective work"). It defines the term "compilation" to mean "a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101 ("compilation").

2. Not surprisingly, The New York Times recites that its newspaper is manufactured at its 43rd street offices *and printing plant*. (*See*, e.g. Exh. 5 at NYT000293, NYT000300, NYT000302).

registered their copyright in the individual articles they wrote prior to initiating this suit.[3] (Exh. 6)

The Publishers Discard The Collective Work, Encode The Individuals Articles That Were Collected to Include In The Work and Transmit The Articles To LEXIS/NEXIS.

9. In each instance, as soon as the magazine or newspaper was "closed," and a copy of the collective work had been transmitted to the printing plant or department, the publisher took steps, in effect, to dismantle the collective work.

The Publishers Ignore The Collective Works That They Have Just Created and, At Least Figuratively Speaking, Discard Everything But Their ATEX Text Files.

10. Even though the publishers had mechanicals for each of the pages that made up the collective work, negatives or film images of the collective works, and the plates that were used to print the collective works, none of these were saved

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3. Plaintiffs did so out an abundance of caution, even though they believe that they are entitled, as a matter of law, to claim the benefit of the copyright registrations effected by the publishers. *See* [cite relevant cases and regs.] They filed in their own right prior to bringing suit so that there would be no question but that they are entitled to the prima facie presumptions that are accorded certificates of registration.

for any length of time." (Exh. 28 ¶¶ 7, 8, and 9; Exh. 29 ¶¶ 7, 8, and 9; Exh. 30 ¶ 5-6).

11. Instead each publisher turned its attention back to its ATEX files — i.e., the text files it had prepared for sending to the typesetter — duplicated those files, and then took steps to convert the duplicate files into individualized *data* files that could be transmitted and/or delivered to Mead for incorporation into the NEXIS data base. (Exh. 28 ¶ 11; Exh. 29 ¶ 11; Exh. 30 ¶¶ 8 and 9).

12. By choosing *those* files as the files they would convert into data files for transmission to Mead, the publishers were necessarily making a decision *not* to send Mead photographs, graphics, advertising and certain other materials from their periodicals." Each of the three publisher defendants excluded

6. In the case of The New York Times, the mechanicals were preserved for approximately three (3) months, the negatives for approximately 30 to 40 days, and the plates "for a brief period." (Exh. 28 ¶¶ 7, 8, 9). In the case of Newsday, the mechanicals were preserved for approximately three (3) months, the negatives for approximately thirty days, and the plates were "discarded after a press run." (Exh. 29 ¶¶ 7, 8, 9). In the case of Sports Illustrated, the film, at least one plate, was retained for approximately 12 months and the printing plates were generally destroyed within 24 hours of use. (Exh. 31 ¶ 10).

5. That is, prior to sending text to the composing room, where text and graphics were merged. Each ATEX file contained the text of one article and a set of typesetting commands.

6. This is commonly so since the ATEX files contained materials that had not yet gone to the composing room. It was in the place after the final preparation of the ATEX files, i.e., in the composing room, that text and graphics were merged. (Exh. 33 at 19, 31; Exh. 35 at 34-36).

essentially the same material from the materials they sent Mead. (See, e.g., Exh. 33 at 31, 39, 41 (NYT didn't send Mead any graphic material, advertisements, crosswords, photographs, etc.); Exh. 35 at 14, 30, 41 (Newsday didn't sent Mead any graphics, photographs, ad copy, sports statistics, weather reports, sports results, etc.); Exh. 32 at 15, 16 (SI didn't send Mead photographs, advertising copy, the cover of the magazine, etc.); Exh. 22 ¶ 55 (in addition, Newsday does not send Mead legal notices, weather forecasts, and death notices); Exh. 38 at M003645, M003653-54 (in addition, NYT didn't send Mead illustrations, graphs, stock listings, formatting instructions, all material appearing in very tiny 'agate' type, weather, sports, corrections to stories appearing in previous editions, references to related stories or photographs, jump-lines); Exh. 23 ¶ 23 (SI didn't sent Mead the Table of Contents to the magazine); Exh. 41 at T000019, Schedule A (in addition, SI didn't send Mead, "such portions of the materials which Licensor does not have the right to include in Licensor's materials," drawings, maps, charts, tabular data, cartoons, subscriptions rates, volume numbers, masthead materials, mathematical formulas and equations, any materials from special issues of the publication, etc.). (Exh. 38 at NYT000213, M003684; Exh. 39 at U007359; Exh. 40 at N000063, M003719; Exh. 41 at T000019; Exh. 49 at M002018).

Each Publisher Then Encoded Its Text Files, Chose Appropriate Terms To Index To Them And Transmitted Them to Mead.

13. Towards this end,

• it stripped the ATEX files of formatting codes and/or instructions, including typesetting commands, particular to the

layout and composition of the newspaper and/or magazine[7] (Exh. 21 ¶ 91; Exh. 33 at 29-30; Exh. 35 at 38; Exh. 32 at 23; Exh. 30 ¶ 8);

- it then "reconciled" the contents of the remaining ASCII file with the contents of the corresponding article as it "appear[ed] in the printed, final edition of the newspaper," (See, e.g., Exh. 33 at 21; Exh. 35 at 6; Exh. 32 at 6, 8);

- it stitched together information from various electronic files so that the text of an article and its headline, byline and title would all be together in one file (See, e.g., Exh. 35 at 13; Exh. 33 at 22, 27; Exhibit 32 at 21);

- it then added a code or codes to identify where the body of the article began and ended (See, e.g., Exh. 33 at 23; Exh. 41 at T000023);

- it added codes to identify where the headline of the article began and ended (See, e.g., Exh. 33 at 23; Exh. 35 at 17; Exh. 32 at 20; Exh. 30 ¶ 8; Exh. 41 at T000023);

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7. In other words, it stripped the ATEX files of the codes and instructions that had been inserted so as to enable the text of an individual article to be printed as part of the collective work.

For example, it would have stripped codes relating to font size, to the placement of photographs and/or graphics, to the placement of one article in relation to another or in relation to the rest of the page, to the placement of articles in relation to photographs and/or graphics, and/or to the location of banner headlines and/or other headlines in relation to the articles appearing on a page.

• it added codes to identify where the byline for the article began and ended (See, e.g., Exh. 33 at 23; Exh. 35 at 17; Exh. 32 at 20; Exh. 30 ¶ 8; Exh. 41 at T000023);

• it entered information into the file to identify the section of the paper in which the article had originally appeared, and, where a header field was not already indicated, added codes to identify where this electronic entry began and ended (See, e.g., Exh. 33 at 24; Exh. 22 ¶ 56; Exh. 30 ¶ 8; Exh. 41 at T000022);

• it entered information into the file to identify the page in the paper or periodical on which the article had first appeared (see, e.g., Exh. 33 at 24; Exh. 32 at 20-24), and deleted other information (such as a "jump-line") that notified readers of subsequent pages of the paper on which the article had been continued (see, e.g., Exh. 35 at 16; Exh. 33 at 24; Exh. 41 at T000022);

• it entered information to identify the edition of the paper in which the article had appeared (see, e.g., Exh. 33 at 23; Exh. 22 ¶ 56; Exh. 30 ¶ 8);

• it added a word or words to describe the nature of the article (e.g., letter to the editor, op-ed piece, series piece, analysis, book review, etc.) and codes to identify where this descriptive word, phrase or "segment" began and ended (See, e.g., Exh. 33 at 25, 29);

• it added "key words" or indexing terms to the file or created those terms and selected appropriate key words for

subsequent association with the file (See, e.g., Exh. 35 at 6, 15, 17, 18; Exh. 29 ¶ 11; Exh. 41 at T000022)[8]; and

- once the coding or tagging was complete, a separate "accession number" or "filename" was assigned to each file or article (See, e.g., Exh. 33 at 26 (number); Exh. 35 at 25 (number); Exh. 30 ¶ 9 (filename)[9]).

14. Each of these steps was taken for the express purpose of so electronically configuring and marking the files (i.e., articles) that, after being added to the NEXIS' data base, they could be searched for and retrieved by NEXIS'

8. Although the New York Times, like Newsday, prepared abstracts for many of the articles and decided upon appropriate terms to be indexed to the articles, it did not insert the abstracts and the indexing terms into the individual files for each article before sending them to Mead. It sent the abstracts and indexing terms to Mead in a separate transmission. (*See generally* Exh. 33 at 25, 32, 46-47 for a description of the abstracting and indexing operation). This transmission took place daily between 8:00 and 11:00 p.m. (Exh. 33 at 46). It took place at this hour and not earlier, and not together with transmission of the articles, because it takes the indexing group an entire day to finish its work. They work from 8:00 a.m. on average to 6:30, 7:00 p.m. every day. (Exh. 33 at 46, 47).

When Mead receives the abstracts and indexing terms, it incorporates them into the individual files to which they pertain. (Exh. 34 at 48, 49).

9. The name consisted of a unique filename followed by a dot and then the date of the issue of collective work in which the article had appeared. (Exh. 30 ¶ 9). *E.g.*, assuming an article on badgers had appeared in the February 26, 1991 issue of *Sports Illustrated*, it might be named "badgers.226".

customers — *as individual articles* — by headline, name of author, type of piece (i.e., op-ed, series piece, bio, etc.), periodical, date, names of companies that appeared in the article, names of persons that appeared in the article, key words, basic topics or themes, etc. (Defendants' 3(g) Statement at ¶¶ 29 and 32 (wherein the defendants have admitted that the codes that plaintiffs are talking about "have been added for indexing and search purposes"); Exh. 33 at 23; Exh. 21 ¶¶ 76, 78, 79; Exh. 28 ¶ 11; Exh. 29 ¶ 11).

15. In the case of the New York Times and Newsday, after the files received their accession numbers, they were sent to a temporary storage area on a computer. (Exh. 35 at 19, 22, 63-65; Exh. 33 at 34-35). At an appointed hour each day, all of the files in temporary storage were transmitted to Mead. (Exh. 35 at 65 (Newsday: 2:00 a.m.); Exh. 33 at 38, 39 (NYT: 3:00 or 4:00 p.m.).[10] The electronic transmission took place virtually automatically. (Exh. 35 at 11, 12, 19, 22, 33; Exh. 33 at 35). No significant human intervention was needed. (Exh. 35 at 68-70; Exh. 33 at 35[11]).

16. In the case of Sports Illustrated, the data files were not transmitted to Mead. They were copied, in batches, to

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10. In the case of both The New York Times and Newsday, the articles were sent to Mead within twenty-four hours of their publication. (Exh. 21 ¶ 18, Exh. 22 ¶ 22). In the case of Sports Illustrated, tapes containing the articles were delivered to Mead within forty-five (45) days of the articles' publication. (Exh. 23 ¶ 9).

11. At the Times, a person "checks off the appropriate line" in the transmission menu on a computer screen to initiate transmission. "[T]hat's basically the end of the human involvement." (Exh. 33 at 35).

magnetic tapes, and then the tapes were delivered to Mead. The delivery occurred once a week. (Exh. 30 ¶ 9).

17. Like the process of transmitting files to Mead, the process of writing the data files to tape was automatic. The Time Inc. "systems engineers did not view the contents of the files" they were copying. Their responsibility was simply "to copy the files to tape and confirm that they had the correct number of files as stated by the library staff." (Exh. 30 ¶ 10).[12]

18. As a consequence of these procedures, Mead got all of the articles that had appeared in one day's edition of The New York Times[13] or one day's edition of Newsday or one week's edition of Sports Illustrated at the same time.[14] (Exh. 33 at 35;

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12. It was also their responsibility to create a directory of the files that were being written to each tape and to label each tape with the name of the magazine, date of the issue in which the articles had appeared, number of files on the tape, and the date and their initials. (Exh. 30 ¶ 9).

13. This would appear to be the most efficient way for a publisher to send Mead all of its articles and for Mead to verify that it has received the publisher's articles. For, if there were any discrepancy in the number of articles being sent and received on any given day, it would be a fairly easy matter for the publisher and Mead to compare accession numbers and/or filenames to ascertain precisely which articles had not in fact been transmitted (or been properly transmitted).

14. The defendants will undoubtedly attempt to make much of this fact, although the fact is of no significance. The mere fact that data files are transmitted at the same time or that, for convenience, they have been included in the same transmission does not mean that they are *being transmitted as part of a collective work.*

(Cont'd)

Exh. 35 at 22, 40, 65; Exh. 32 at 30; Exh. 21 ¶ 18; Exh. 22 ¶ 22; Exh. 23 ¶ 9).

19. They did so, however, only at the end of the day or early the next morning (i.e., on the day following the day of publication) since it took substantially an entire day to ready the files for transmission. (Exh. 33 at 38, 39 (it generally took from approximately 7:00 or 8:00 am to 3:00 or 4:00 p.m. to prepare the text of the articles and "segments" for transmission, and from 7:00 a.m. or so until 11:00 p.m. or so to prepare the key words and indexing terms); Exh. 35 at 19 (transmission of articles from Newsday was not effected until 2:00 a.m. the following day); Exh. 35 at 18 (it took three to ten minutes to ready each article). Each publication had a department or designated group of employees dedicated to the encoding and segmentation functions. (Exh. 33 at 32, 38, 39; Exh. 32 at 20-24) They also had a department or group of employees dedicated to "indexing." (See, e.g., Exh. 33 at 32 (department of 15 people)).

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It should be clear given all the effort, energy and expense to which the publishers have gone to ensure that there is only *one* article per electronic file and that each electronic file is a distinct unit that can be *separately* searched for and retrieved that the data files that are being sent are *not* intended to be treated as a collective whole, either by NEXIS or, even more significantly, its customers.

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Mead Adds Additional Coding to the Files, Selects Term Topic Identifiers, and Updates the Files To Its Data Base

20. When Mead receives data files from any of the three defendant-publishers, the files are subjected to a variety of processes so that they can be incorporated into the NEXIS data base and accessed by customers. (Exh. 34 at 36-60).

The Conversion Program

21. The first program to which data files are subjected is the "conversion" program. It converts the codes each of the publishers uses into codes NEXIS uses and can interpret. (Exh. 34 at 39). During this conversion process, each article is given a NEXIS code to identify its headline, byline, the section of the newspaper in which the article originally appeared, a code identifying where in the data the body of the article begins, and a NEXIS accession number. (Exh. 34 at 40; Exh. 49 at M002004-002021).

The "Off-Line" Editor

22. Next the data files are put through an "off-line editor." It formats the data in a file, adds segments to the file (i.e., regarding the word count of the article involved and the alleged identity of its copyright owner), and "concatenates" any information that was separately transmitted so that it will be displayed together with the article. (Exh. 34 at 44, 45).

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Indexing

23. The data is then "indexed." It is put through a software program (1) that matches "key terms" it finds in its thesaurus with words that appear in the article, and (2) that adds indexing terms to the article or links them in some way. (Exh. 34 at 44, 45). Some of these indexing terms are supplied by the publishers. (Exh. 34 at 48). Others originate with and are added by Mead. (Id.; Exh. 49 at M002004-002021). Among the terms that Mead adds are company names and stock exchange ticker symbols. (Exh. 34 at 51).

The Term Topic Identifier Program

24. Next, Mead runs the articles it has received from the publishers through "another software program that looks at key terms, key topics within the data." (Exh. 34 at 50). This process is known as the "Term Topic Identifier" process or "TTI." (Id.) If an article is found to contain certain terms, then a code identifying a general topic (e.g., "Gulf war," "Abortion," "Riots and Demonstrations") is added to the file that corresponds with that article. (Exh. 34 at 50-51).

The Identification of a "Searchable Lead"

25. In some instances, the data files are then put through yet another software program that enables Mead to identify the portion of an article that will constitute its "searchable lead." (Exh. 34 at 63). If a NEXIS' subscriber chooses this display option, instead of viewing an entire story, he or she will only have to see and review the initial portion of an article — generally, the first paragraph or so — to ascertain

whether or not it is of interest to him or her. In addition to viewing the lead paragraph or so, the subscriber will also see certain basic "side information" regarding the article. (Exh. 34 at 64).[15]

NEXIS Adds "Accession Numbers" That Are Unique to Each File or Article

26. After the reconciliation, conversion and coding routines have been completed, NEXIS assigns an accession number to each file. (Exh. 34 at 33). Each file receives a unique number. (Id.)

The Data is Then "Updated" To the Data Base and "Promoted" to NEXIS' Customers

27. The data files are finally ready to be "updated" or added to NEXIS' data base. (Exh. 34 at 66-68). This is accomplished in four stages: First a duplicate is made of the existing data base. (We shall call the existing data base "Generation 100," and its duplicate, "Copy "C" of Generation 100"). The latest batch of data files to be processed are then added to "Copy C" to make a "new generation" of data base. (We shall call this data base "Generation 101"). (Exh. 34 at 67-68). The public, i.e., NEXIS' customers, are then given access to Generation 101 or, in NEXIS-ese, the new generation is "promoted to" the public. (Exh. 34 at 68). Finally, the old generation of data base ("Generation 100")

15. In the case of The New York Times, the periodical itself decides the portion of the story that NEXIS will designate as "the lead." (Exh. 34 at 65). In the case of Newsday, NEXIS, and not Newsday, defines and creates the "searchable lead." (Exh. 34 at 66).

is destroyed as soon as it is confirmed that the data files in the new generation are available on-line. (Exh. 34 at 69).

NEXIS Customers Log On, Key In And Search Out and Retrieve Individual Files

28. NEXIS customers enter NEXIS by using a telecommunications package that permits them to access LEXIS/NEXIS' mainframe computers. (Exh. 34 at 118). Once a NEXIS customer has accessed NEXIS via a telecommunications program, he or she accesses particular data by asking NEXIS to perform a search for him or her. (Exh. 34 at 122). Unless he chose a pre-packaged or "pre-run search,"[16] he would be likely to ask NEXIS to conduct a *conjunctive* or "Boolean" search for him. (Exh. 21 ¶ 132; Exh. 22 ¶ 70). In such a case, he would choose a series of "search words" and juxtapose them in such a fashion as to define a set of documents that would likely pertain to the topic or topics of interest to him.

29. For example, let us assume that our mythical NEXIS customer is a student who has an abiding interest in archaeological digs. Let us also assume that he has free access to NEXIS through his college and uses it to keep abreast of recent "finds." He might fashion a search along the following lines:

> ARCHEOLOG! w/2 (DIG! OR EXCAVATION!) AND (FIND! OR DISCOVER!) AND DATE AFT 1991

16. Assuming that LEXIS/NEXIS creates pre-packaged searches that might be expected to appeal to individuals and/or students researching current events, one example of a pre-packaged search might be something like "President Clinton and Health Care Reform."

30. Or, let us assume that our mythical NEXIS customer is a businesswoman who is looking for information about telecommunication companies' entry into the cable-tv market, as is allowed by the recently enacted federal telecommunications act. She might fashion a search such as:

> TELECOMS OR BABY BELLS w/25 CABLE TV AND DATE AFT 1995

31. Depending upon the library and/or group file the customer selects, he or she will be able to access data from *a number* of periodicals or will find himself limited to data from one periodical. (Exh. 34 at 22-23, 27-30, 127-28).

32. In either case, what our customer will come up with when his or her search is conducted is a number of *articles* from those periodicals that contain the "search words" that he asked NEXIS to find and not the *entire issues* of those periodicals. (Exh. 34 at 131-132).

33. Let's return to our examples. NEXIS would tell our student that his search had produced 776 stories and our businesswoman that her search had produced 123 stories.

34. Each of them then has an option. They can display the results of their searches in a number of formats. If our businesswoman chooses the "cite" format, she will get a display like the following:[17]

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17. Obviously, these are only the first few items that would be displayed.

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1. New Straits Times, March 7, 1996, Internet world Asia; Pg. 34, 1123 words, The impact and major trends in Asia

2. The Atlanta Journal and Constitution, March 5, 1996, Tuesday, ALL EDITIONS, 431 words, BellSouth set to test wired/wireless package, Michael E. Kanell; STAFF WRITER

3. Financial Times, March 4, 1996, Monday, Pg. 10, 300 words, People, By CHRISTOPHER PARKES, LOS ANGELES

4. The Boston Globe, March 3, 1996, Sunday, City Edition, ECONOMY; Pg. 78, 1194 words, Highlights of the week; Feb. 25-March 2; West comes East; BUSINESS REVIEW

5. Rocky Mountain News, March 3, 1996, Sunday, BUSINESS; Ed. F; Pg. 65A, 1254 words, Baby Bells place bets on the future Long distance firms get into cable, cellular, Kerri S. Smith; Rocky Mountain News Staff Writer

6. St. Petersburg Times, March 3, 1996, Sunday, O South Pinellas Edition, NATIONAL; THE CANADA REPORT; Pg. 11A, 698 words, Ontario premier to enact budget cuts, strike or no, JIM FOX

7. Sunday Times, March 3, 1996, Sunday, Business, US phone giants branch out, Garth Alexander in New York

8. Financial Times, March 2, 1996, Saturday, UK Company News; Pg. 8, 858 words, Walking a high wire at Energis — The choices facing the National Grid's telecoms arm, By ALAN CANE

35. Obviously, some of these articles will pertain to what our hypothetical businesswoman is interested in, and some will *not* be on point.

36. If she wants to see the actual *text* of any of her "hits" in order to ascertain whether they are or aren't pertinent, she must decide how much of the text she wants to look over. She can choose just to see the "searchable lead" of the article, in which case she would choose the "lead format." (Exh. 34 at 123-125). She can choose to see the specific portions of the article in which the search items appear, in which case she would choose the "kwik" or "variable kwik" format. (Exh. 34 at 125). Or, she can choose to see the entire text of an article, in which case she would choose the "full format." (Exh. 34 at 128-130).

37. In the latter instance, i.e., if she decides that she wants to see the full text of an article, she can do either of two things: Either she can go to a specific "hit" (i.e., article) on her list of 123 citations and choose to see that article in full format. (After reviewing it, she can then go back to the list and, referring to the cites, choose to retrieve and display any other article on the list.) Or she could, by choosing the "full format," choose to see any particular article on the list and then, by clicking the button on her screen that allows her to retrieve and display the "next document," she can retrieve and display each subsequent article on the list, in turn. (Exh. 34. 127-128; Exh. 49 at M002846, M002712).

38. Whichever of these formats and/or options she chooses, the *most* that she would be able to display on her screen at any one time would be the full text of *one* article, together with the segments and indexing terms that accompany that article. (Exh. 34 at 125-26, 132). There would be no way for her to simultaneously display the text of all of her "hits" at one time, *or*, indeed, to display the text of *other* articles that had appeared together with the "hit" article in the same newspaper or magazine issue. (Exh. 34 at 132, Exh. 15 at 10-11).

39. Moreover, there is only *one* search that a customer could run that would even designate all of the articles that appeared together in one issue of a newspaper or magazine as "hits" and display their "cites" together in one list: that would be a search in which the *only* search terms the NEXIS subscriber used were "name of publication" and "date" and in which the *only* date that he or she entered for the search was the date of one particular issue. Since Mead has provided for a myriad — indeed, almost infinite — number of *other* search possibilities, however — and the publishers have marked, indexed and encoded their files so as to provide for those other possibilities — it is clear that it was contemplated and intended that in most instances customers would be searching for, retrieving and displaying individual articles "without also retrieving other articles . . . [that] appeared together with the retrieved article in the print edition of a publication."[18]. (Exh. 22 ¶ 13; Exh. 23 ¶ 57; *see also*

18. If it were true, as the defendants contend, that NEXIS were simply an electronic "library of periodicals" in which it was contemplated that only whole *issues* of a newspaper or magazine

(Cont'd)

Exh. 34 at 130; Exh. 21 ¶ 11; Exh. 22 ¶ 11; Exh. 23 ¶ 25). Indeed, the fact that both the publishers and Mead assign individual 'accession numbers' to *articles*, and *not* to editions or issues, reflects the fact that it is *the article*, and not the issue or edition of a publication, *that is the basic unit of the data base.*[19] (Exh. 34 at 33; Exh. 23 ¶¶ 54, 55, 57; Exh. 33 at 21-22; Exh. 35 at 25; Exh. 35 at 12 (Newsday treats each story as a separate file); Exh. 49 at M003822-3833).

40. Since Plaintiffs' works have been placed on-line, they are available to be accessed, retrieved, displayed and/or printed out as individual articles separate and apart from other articles that appeared together with them in *The New York Times*, *Newsday* and/or *Sports Illustrated*. (Exh. 2; Exh. 21 ¶ 11; Exh. 22 ¶ 11; Exh. 23 ¶ 25.) They have been available in this fashion apparently since approximately twenty-four hours after their appearance in print, in the case of *The New York Times* and *Newsday*, and within forty five days in the case of *Sports Illustrated*. (Exh. 21 ¶ 18, Exh. 22 ¶ 22, Exh. 23 ¶ 9).

(Cont'd)

would be accessed, retrieved and displayed, then the only "segments" that Mead and the publishers would have provided for would have been the "periodical" and "date" segments, and they would not have provided for any other segments or for any search terms, key words and indexing terms that for utilization in Boolean searching.

19. This point is also underscored by the fact that when an article has been accidentally segmented or fragmented and portions of it appear in different electronic files, those files are "stitched" together, and by the further fact, that where the headline and/or byline for an article appears originally in a separate file, the files containing the headline and byline and the file containing the text of the article are "stitched" together.

41. As a consequence, a customer who subscribes to NEXIS and secures the appropriate telecommunications package can display Plaintiffs' works on his or her personal computer. (Exh. 1; Exh 21 ¶ 11; Exh. 22 ¶ 11; Exh. 23 ¶ 25; Exh. 34 at 118-119.) If he has the appropriate software and the proper equipment, he can also download electronic versions of Plaintiffs' works to his or her hard drive or to a floppy disk for subsequent retrieval and printing. (Id.; *see also* Exh. 34 at 120; Exh. 15 ¶ 42). If he downloads one or more of the works, he can subsequently display, edit and/or modify the works he has downloaded, or reproduce them in whole or in part, either as retrieved from NEXIS or as modified, with or without attribution to Plaintiffs. (Id.) This is made particularly easy by the fact that there is no acknowledgment of the authors' copyright in the article. (Exh. 1; Exh. 21 ¶ 11; Exh. 22 ¶ 11; Exh. 23 ¶ 25).

42. The articles that are displayed, downloaded and/or printed out will bear copyrights both in The New York Times' and Mead's names. (Exh. 2).

The Next Step in The Journey: Mead Provides The Data to UMI For Processing and Incorporation Into Its Text-Only CD-ROMS

43. Pursuant to a three-way agreement between The New York Times, Mead and UMI, Mead provides the same data to UMI that it places on NEXIS. (Exh. 34 at 136). It does so with The New York Times' knowledge and consent and for the specific purpose of enabling UMI, after processing the data files it receives, to incorporate them into its CD-ROM products. (Exh. 21 ¶¶ 21-22,40; Exh. 39 at U006910-U006914; Exh. 8 ¶¶ 55, 56, 98, 99, 270, 271). Mead provides the data to UMI -on tape. (Exh. 34 at 136).

44. In addition to containing the text of articles, the 9-track machine-readable magnetic tape that is delivered to UMI contains codes that are particular to NEXIS. (Exh. 31 at 18-21). As Mead did when it received information from the publishers, therefore, UMI processes the data it receives from Mead through a "conversion" routine. (Exh. 31 at 24-25, 28, 29, 35). The conversion routine strips out the codes that are specific to NEXIS' programs or equipment and that have "no meaning" to UMI. (Exh. 31 at 36, 37). The Mead codes that do have a meaning to UMI are replaced with UMI codes that UMI's system will be able to understand and interpret. (Exh. 31 at 25, 26, 28, 29, 35). The codes that are added are added to facilitate Boolean searching. (Exh. 31 at 50).

45. In addition to adding codes or marking to the data files, the parties' CD-ROM License Agreement also contemplates that UMI will "include Times indexing terms" on its CD-ROMs so as to make the data on them "full text searchable." (Exh. 49 at M011427-011436, especially M011428; Exh. 39 at NYT000003; Exh. 21 ¶ 77). Following "all the processing" involved in converting the data on the tape that UMI receives from NEXIS into a format that is readable by UMI and after adding whatever additional coding and/or index terms it wishes to, UMI creates a second tape with all of this information on it. The second tape contains a "representation of the data in electronic form as to how it is to appear on the CD for our system" (Exh. 31 at 45). A "negative" is then made of this tape. The resulting mold, which is made out of glass, is used to stamp out the CD's. (Exh. 31 at 46).

46. In the case of NEW YORK TIMES ON DISC, each CD-ROM disk contains the "full-text" of articles that appeared in The New York Times over the course of one or more years.[20] (Exh. 31 at 14-15). Each article that appeared in the Times is placed on NEW YORK TIMES ON DISC as an individual unit with its own "accession number." (Exh. 31 at 81-82). In addition to containing the full text of these articles, a "NEW YORK TIMES ON DISC" disk contains software and an electronic index that enables the customer to search the data on the CD-ROM. (Exh. 31 at 46-48).

47. In effect, then, the CD-ROM is "actually a medium" that contains two different types of "electronic products:" (1) an electronically coded version of the information originally contained in an article appearing in a publication, and (2) electronic codes controlling the operation of the CD-medium, which make the textual information accessible to the user. (Exh. 31 at 7-8). It is the "collections of information" plus the electronic "controls" that is marketed by UMI as the "CD-ROM" product. (Exh. 31 at 7-8).

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20. Like NEXIS, the "NEW YORK TIMES ON DISC" CD-ROM does not contain any of the graphic elements that appeared in the Times (e.g., photographs, drawings, maps, etc.), nor any advertisements, crosswords, paid death-notices or weather reports, etc. (Exh. 31 at 66).

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UMI's Customers Effectively Have The Same Options With "NY TIMES ON DISC" As They Have With NEXIS: To Retrieve and Display Individual Articles.

48. The "New York Times On DISC" customer has two options: to perform a Boolean search or a pre-run topic search. (Exh. 31 at 47-50). If he performs a Boolean search, he can search by name, title, author, subject of the article, company names, article type and keywords. (Exh. 21 ¶ 110). If his search is a successful one, the display at the UMI workstation,[21] where "New York Times On Disc" disks are designed to be used, will tell him how many "occurrences" of the search terms he selected were found among the data files on the CD. (Exh. 31 at 53). Each "occurrence" will correspond with *an article* from The New York Times, and not an entire issue or edition. (Exh. 31 at 53). In other words, each New York Times On Disc "occurrence" is equivalent to a NEXIS "hit."

49. If the CD-ROM user chooses to view an "occurrence," the CD-ROM will make the article available for viewing by *itself*, independent of other articles and of graphics that appeared with it when the article appeared in print. (Exh. 15 ¶ 29). As a consequence, what the CD-ROM user will be retrieving and viewing will *not* be a complete edition of *The New York Times*, but only single articles. (Exh. 31 at 54). In all likelihood these individual articles will have appeared on *different* dates and in *different* issues of *The New York Times*.

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21. UMI workstations utilize a program known as "PRO-QUEST." (Exh. 31 at 8-9; Exh. 3).

50. Since New York Times On Disc is a full-text information service and has contained articles from 1990 forward since on or about its inception, all of the articles Plaintiffs' wrote for The New York Times are available on New York Times On Disc. (Exh. 3; Exh. 21 ¶ 12). They have been available on it since sometime in 1992. (Exh. 21 ¶ 21). Assuming he or she has the proper hardware, therefore, a customer who purchases or uses UMI's New York Times On Disc product can access, display and print-out copies of Plaintiffs' works, namely works #'s "1" through "12." (Exh. 2; Exh. 21 ¶ 12, Exh. 34 at 120, 130; Exh. 31 at 80). In each instance, while the Plaintiff's name will appear in the by-line segment, there will not be any acknowledgment of the author's copyright in the article. (Exh. 2). What will appear is (1) a notice of copyright by The New York Times, (2) a notice of copyright by UMI, and an acknowledgment that "Data supplied by NEXIS® Service." (Exh. 2; Exh. 39 at U6909-6914).

In Addition To Their Inclusion in New York Times On Disc, Certain of Plaintiffs' Works Have Also Been Included in UMI's New Image Product, "General Periodicals On Disc"

51. All of Plaintiff Mifflin's and Blakely's articles[22] can be viewed in the "General Periodicals On Disc" data base as well as in the "New York Times On Disc" data base. (Exh. 50 at U007080-7081). General Periodicals On Disc is an "image product CD-ROM" that includes articles that were originally published in The New York Times Book Review,

22. We are referring, here, to works #'s 2 through 9 for Mifflin and 10 through 12 for Blakely. (*See supra* at 2-3).

the Sunday Magazine section, and non-New York Times publications. (Exh. 31 at p. 66, 67).

52. Just as "General Periodicals On Disc" is not limited in terms of what it includes to materials from *The New York Times*, it does not give the user access to the entire contents, not even the full-text, of any *single* issue or edition of *The New York Times*. (Exh. 31 at 12, 15, 65). Using "General Periodicals On Disc," it is impossible to view news articles published in the same Sunday edition in which the Book Review originally appeared, because the rest of the paper (with the exception of the Sunday Magazine) is not included on that disk. (Exh. 31 at 12, 15, 65).

53. Unlike the "New York Times On Disc" CD-ROM, the "General Periodicals On Disc" CD-product is created by means of an electronic microform duplication process. (Exh. 31 at 68). The New York Times delivers copies of its Sunday Book Review and Sunday Magazine sections to UMI and UMI takes photographs of each printed page of these sections. (Exh. 31 at 66-68). These photographs are then electronically "scanned" and converted into electronic images. (Exh. 31 at 68).

54. Once the pages of the 200 or so periodicals whose material is represented in General Periodicals On Disc (hereinafter "GPOD") have been electronically scanned and converted into electronic images, "the electronically scanned images" are then "link[ed] . . . to an index and abstract database on compact disc." (Exh. 50 at U007550). Someone using GPOD at a ProQuest workstation will then access information in it "by searching the ASCII full-text and/or

the index" on the disk. (Exh. 50 at U007320). When they have reviewed their search results and identified a series of cites or articles that are of interest to them, they can direct the ProQuest station to cause those articles to be printed out. (Exh. 31 at 85, 107-108). What will be printed out is *not* that text that has been located in the index or ASCII text, but the "images" from the image data base that have been linked to the ASCII text. These images are of the full pages of the periodical or magazine in which the "hit" articles appeared. (Exh. 4).

55. Unlike the "text-only" CD-ROMS, e.g., "New York Times On Disc," the "image products" do not permit of full Boolean searching. (Exh. 31 at 73).

A Parallel Journey Through The Labyrinthine Passages Of The Publisher-Defendant/Data Base Defendant Contracts.

The Defendants Prepare For a New Era: They Enter Into a Series of Contracts That Divide Up The Technological Universe.

The New York Times' Contracts with The Data Base Defendants:

The "Mead License"

56. In 1983, The New York Times entered the era of commercial on-line information services. In this connection, it executed two separate, but related, "License Agreements" to provide third-parties with materials from *The New York*

Times.[23] (Exh. 38 M003642-M003698; Exh. 39 at U007357-U007436; Exh. 21 ¶ 83.) The first was a "License Agreement" with "Copyright License", dated January 31, 1983, between The New York Times Company and The New York Times Information Service (hereinafter referred to as "Mead").[24] (Exh. 38 at M003642-M003698 (agreement); Exh. 38 at M003699-M003704 (license); Exh. 39 at U007428-007436 (license); Exh. 21 ¶¶ 83, 84.) The second, dated April 5, 1983, was between The New York Times Company, Microfilming Corporation of America (a wholly owned subsidiary of The New York Times), and Xerox Corporation (of which UMI was "a unit").[25] (Exh. 39 at U007399, U007357-007399 ("License Agreement").)

57. In the first Agreement and Copyright License, The New York Times granted Mead "as against all persons including The Times" . . . "an exclusive worldwide copyright license" to sell and display, publicly or privately, directly or through distribution sublicenses, by means of *computerized coded* storage and computerized *electronic coded* retrieval

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23. It has been the defendants' position that these two agreements were in force and effect during the period relevant to the Complaint and that any earlier agreements, if they existed, would be irrelevant. No earlier agreements were produced in discovery. (Exh. 38 at M003642-M003698; Exh. 39 at U007357-U007436).

24. Mead subsequently inherited this contract from NYTIS. (Exh. 45 at NYT000217-NYT000192, NYT000192-216; Exh. 33 at 5-24). "LEXIS/NEXIS" is Mead's successor. UMI is Bell & Howell's successor.

25. UMI subsequently succeeded to this contract in its own right. (Exh. 39 at U007357-7436, NYT000002-11).

systems to which customers obtain access through terminals, *all and any portion of* the material set forth in Exhibit A (the "Licensed Times Material"); provided that this grant of rights as to Licensed Times Material published after January 31, 1983 shall not be effective until 12:01 AM on the day after publication date of the issue of The New York Times containing such Licensed Times Material. (Exh. 38 at M003689-90)

58. Exhibit A defined "Licensed Times Material" to include *inter alia*

> all . . . future sections and editions (including regional and national editions) of *The New York Times*, . . . excepting therefrom photographs, crossword puzzles, other graphic material and advertisements. (Exh. 38 at M003694).

(Exh. 38 at M003642, M003645; Exh. 39 at U007428, U007436 (emphasis added.)

59. The Agreement explicitly denied Mead the "right to display or produce facsimile reproductions of The New York Times." (Exh. 38 at M003642, M003646.) This right was specifically retained by The New York Times, along with "(1) *print rights*, (2) performance rights, (3) *micropublication* (e.g. *microfilm* and *microfiche*) [rights]

> *and all other facsimile reproduction rights*, so long as in the exercise of those rights (A) material from The New York Times is stored in *non-coded form* [picture elements]; (B) any coded retrieval

> system whereby such non-coded information is retrieved does so by single term non-conjunctive searches using The New York Times Index, . . . ; and (C) if the non-coded information is displayed on an electronic device, the information will be displayed as *facsimile images of full pages of The New York Times or sections of a full page, so long as any section displayed contains more than an individual article and conforms to the page format and layout*." (Exh. 39 at U007430 (emphasis added).)

60. The exclusive rights The New York Times granted Mead under this Agreement were and are exploited in Defendant NEXIS' On-Line product of that name. (Exh. 38 at M003642-3698). Several of the rights it had "reserved," on the other hand, were shortly thereafter granted to UMI.

The 1983 UMI License

61. In April of 1993, The New York Times granted UMI[26] *inter alia*:

> The exclusive right, throughout the world, to reproduce, display, transmit and distribute *Facsimile Copies* (as defined in section I.B) *of entire issues of NYT Publications and of complete sections, individual full pages* (other than front pages . . .), *and portions of full pages of such issues so long as any portion of a page distributed*

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26. To reiterate, UMI was a "unit of the Xerox Corporation" at the time. (Exh. 39 at U007399).

> *or displayed contains more than an individual article and conforms to the page format and layout of the page from which it is taken.*

(Exh. 39 at U007357 (emphasis added).) The Agreement defined the term "facsimile copy" as:

> a reproduction (1) stored in *non-coded* form (picture elements) and (2) which may be produced or displayed, by using a machine or device, in the size of the original or in reduced or enlarged format; provided, however, that with respect to *The New York Times*, any coded retrieval system provided by Xerox or on its behalf whereby such non-coded information is retrieved, does so by single term non-conjunctive searches using *The New York Times Index* . . .

(Exh. 39 at U007358, section 1.B.) (emphasis added).

62. Again, The New York Times specifically retained certain rights, including:

> (1) print rights;
>
> (2) performance rights, . . .
>
> (4) all rights, other than those granted . . . [UMI] and set forth in the Agreement, to distribute and sell editorial material from the NYT Publications, through coded or non-coded electronic or other technology.

(Exh. 50 at U007090-91.)

63. In practical terms, this 1983 license granted UMI the right to produce and distribute facsimile copies of The New York Times on microfilm, in microfiche, and in what are today known as "CD-ROM image products." (Exh. 39 at U007164-U007171; Exh. 21 ¶¶ 83, 92). By the same token, what has historically been referred to as the "Mead License" granted Mead certain *non*-facsimile rights. Principal among these was the right to create "text-only" data bases that would be amenable to Boolean searching, using articles from *The New York Times*. (Exh. 21 ¶ 132; Exh. 38 at M003645, M003647, M003689, M003691).

Subsequent Amendments To The UMI License
And a Three-Way Agreement To Cooperate
In The Production of Text-Only CD-ROMS.

64. For a time, the defendants The New York Times, NEXIS and UMI were unable to agree on whether the right to produce and market "text-only" CD-ROM products was included within the original grant of rights to Mead or whether it fell within the rights that The New York Times had retained under the Mead Agreement and could grant UMI. (Exh. 21 ¶¶ 106-107; Exh. 38 at NYT000012-0000013; Exh. 45 at NYT000326-327; Exh. 45 at NYT000328-329; Exh. 50 at U006922-40; Exh. 39 at U0006942-47; Exh. 50 at U007025-27; Exh. 45 at M010818-010820; Exh. 45 at M011427-011436.)

65. In 1989, the New York Times and UMI executed a CD-ROM agreement that permitted UMI to create a CD-ROM image product that would include images of the Sunday Magazine and Book Review, along with materials

from other periodicals,[27] but not other sections of the Sunday *New York Times*. (Exh. 50 at U007080-81, U007488-007491; and see Exh. 45 at NYT000482-487.) The Agreement explicitly provided that the text of the Magazine and Book Review "will *not* be stored or made available as 'text' but as facsimile of the entire page."[28] (Exh. 50 at U007080) (emphasis added).

66. The first attempt among the parties to negotiate an agreement to create a "text-only" CD-ROM began in 1991. (Exh. 21 ¶¶ 96 and 97.) The NYT, Mead and UMI did not reach an agreement on this issue until 1993. (*See* Exh. 50 at U007077-79, Exh. 39 at U006942-6947 (5/6/93 Amendment to 4/5/83 New York Times-UMI license); Exh. 49 at M011427-M011436 (draft).) In 1993, the NYT and UMI amended their 1983 license, effective January 1992, to provide that the NYT was granting UMI: (i) an exclusive worldwide copyright license to manufacture and sell CD-ROM (ASCII) format versions of textual . . . materials that had previously been included in its microfilm products; (ii) a non-exclusive worldwide license to manufacture and sell CD-ROM (Image) products containing such materials

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27. This CD-ROM product has come to be called "General Periodicals On Disc."

28. A Rider to the Agreement further provided "[a]s a condition of the Agreement . . . that . . . [UMI] will only allow . . . [pages of the Sunday Magazine and Book Review] to be retrieved using single term non-conjunctive searches using The New York Times Index . . . or an index of similar nature," thereby ruling out searches and/or retrievals using Boolean logic. (Exh. 50 at U007080-7081, U007488).

and (iii) a non-exclusive worldwide license to manufacture and sell CD-ROM (ASCII) and CD-ROM (Image) products containing material from The New York Times but which do not contain full text issues of The New York Times. (Exh. 39 at U006944, 006942-47.) The Agreement defined a CD-ROM ASCII product as a "CD-ROM product which uses only *coded* computer storage and text-mode terminal display," and a CD-ROM Image product as a "CD-ROM product which uses only *non*-coded computer storage and displays *scanned, full or partial page images* from The New York Times newspaper." (Exh. 39 at U006944) (emphasis added).

67. At or about the same time, The NYT, Mead and UMI reached a three-way agreement, pursuant to which The NYT consented to UMI's including articles from *The New York Times* in its "ProQuest database" and to Mead's supplying the data that would be included on condition that above the first paragraph of text of each article the following statement was displayed: "Copyright 199-The New York Times," followed by "Data supplied by NEXIS® Service."[29] (Exh. 21 at ¶ 104, Exh. 39 at U6909-14, NYT000002-NYT000011.) In addition to the acknowledgments afforded The New York Times and NEXIS, UMI was also permitted a copyright notice. (Exh. 3).

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29. UMI's "text-only" CD-ROM product came to be known as "New York Times On Disc."

Affidavit of Emily Bass

The License Agreement Between Newsday and Mead

68. Articles from Newsday first appeared in the NEXIS data base in 1988, pursuant to an April 21, 1988 contract in which the former granted Mead a

> non-exclusive world-wide license . . . to use and authorize use by others *of all or any portion* of the information and materials identified in Schedule A hereto (the "Licensed Materials") in connection with MDC's development, creation, rendition, display, dissemination and distribution, directly or through third parties of computer-assisted information products or services. The rights embraced by the License include, but are not limited to, the right to display and authorize displays of Licensed Materials by means of computer-assisted devices, telecommunications and systems; the right to reproduce and authorize reproduction of Licensed Materials in visually perceptible or machine-readable copies in connection with computer-assisted information products or services; the right to distribute and authorize distribution of visually perceptible or machine-readable copies of Licensed Materials in connection with computer-assisted information products or services; and the right to prepare and authorize preparation of machine-readable concordances and other similar derivative works based on Licensed Materials.

(Exh. 40 at M003709). Schedule A provided that Licensor's Materials would "consist of, subject to the exclusions set

forth in section II, all stories from *Newsday* . . ." (Exh. 40 at M003719). Section II listed the following "Exclusions":

1) Advertisements

2) Legal Notices

3) Graphic materials, e.g., charts, cartoons, maps, photos

4) Weather Forecast

5) *Selected Syndicated Materials and Freelance Materials*

6) Sports polls, rosters

7) Sports statistics

8) Sports schedules

9) Racing picks, charts, bets, etc.

10) Money-rate tables

11) Mutual fund prices & tables

12) Stock tables

13) Commodity market tables

14) Paid death notices

15) Movie and TV listings

16) Selected Wire Services

(Exh. 40 at M003719).

Affidavit of Emily Bass

The License Agreement Between Time Inc. and Mead

69. On or about November 27, 1990, Time Inc. entered into a license that was nearly identical to Newsday's license, both in terms of the scope of its grant[30] and the identity of the materials that were being excluded from the materials being licensed. (Exh. 41 at T000007-000027). The latter were

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30. Under the Agreement, Time Inc. granted Mead:

> a non-exclusive, worldwide license . . . to use and authorize use by others of all or any portion of the information and materials identified in Schedule A hereto (the "Licensed Materials") in connection with MDC's development, creation, rendition, display, dissemination and distribution, directly or through third parties, of on-line computer-assisted information products or services (including MDC's LEXIS/NEXIS services). The right embraced by the License include, but are not limited to, the right to display and authorize displays of Licensed Materials by means of computer-assisted devices, telecommunications and systems; the right to reproduce and authorize reproduction of Licensed Materials in copies (including printed, electronically displayed and machine-readable copies) in connection with computer-assisted information products or services; the right to distribute and authorize distribution of copies (including printed, electronically displayed and machine-readable copies) of Licensed Materials in connection with computer-assisted information products or services; and the right to prepare and authorize preparation of machine-readable concordances and other similar derivative works based on Licensed Materials. (Exh. 41 at T000007-000008).

defined by a schedule attached to the end of the Agreement. It provided that the following would not be included in the Licensor's Materials:

> 1. *Such portions of the materials which Licensor does not have the right to include in Licensor's Materials.*
>
> 2. All material appearing on the cover page.
>
> 3. Graphic materials, such as photographs, drawing, maps, charts, tabular data and cartoons . . . .
>
> 4. Tables of contents.
>
> 5. Information concerning addresses to which letters to the editor may be sent, subscription rates, volume numbers, etc.
>
> 6. Masthead materials (including names of editorial staff and corporate officers).
>
> 7. Advertising materials.
>
> 8. Mathematical formulas and equations.
>
> 9. Special issues of a publication (e.g. Sports Illustrated Year in Sports) that are available in addition to the regular issues of the publications. (Exh. 41 at T000019) (emphasis added).

* * * * *

70. Under each of these Agreements, the publisher had the right to require Mead to exclude or remove materials that would expose the publisher (and/or Mead) to liability for copyright infringement. (Exh. 38 at M003663; Exh. 40 at[31] M003711; Exh. 41 at[32] T000020 and Schedule A, appearing on T000019).[33] Mead and UMI were entitled to be indemnified against copyright claims. (Exh. 38 at M003662;[34]

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31. The NYT/Mead contract provides that "[i]f The Times notifies NYTIS [predecessor to Mead] that a specific item or items included in the Licensed Products does or is liable to constitute a defamation, invasion of privacy, *copyright infringement*, or otherwise expose The Times (or NYTIS) to liability . . . , NYTIS shall without delay change or delete said portion of the Licensed Products as indicated by The Times." (Exh. 38 at M003663) (emphasis and id. added).

32. The Newsday/Mead Agreement provides: "Licensor may from time to time during the term of this Agreement give notice to MDC that a particular document's continuing presence in the Licensed Materials may be damaging to Licensor. As promptly as is reasonably possible after receipt of such notice from Licensor, MDC will delete such document from the MDC computer system; provided Licensor delivers to MDC, at the time such notice is delivered, al the information necessary to identify such document." (Exh. 40 at M003711)

33. The Time/Mead Agreement provides: ". . . Licensor shall advice MDC in writing which, if any, materials . . . are excluded materials . . . which may not be made available to MDC's services. MDC will delete such excluded materials from Licensed Materials . . ."

34. The NYT/Mead Agreement provides that "The Times hereby agrees to indemnify NYTIS [read Mead] and its officers directors and employees . . . against any and all liability and costs of defense

(Cont'd)

Exh. 40 at M003714;[35] Exh. 41 at T000013[36]; Exh. 49 at M011433;[37] Exh. 50 at U007080).

By the same token, Mead and UMI promised that "copyright" would run with each story or article and that they would use "all reasonable efforts to cause displays or copies of Licensed Materials to bear the words "Copyright [*Print Publisher*]" . . . *at the beginning of each complete document displayed, reproduced or distributed in copies*." (Exh. 40 at M003711 (emphasis added); Exh. 41 at T000009;[38] Exh. 38 at M003665; Exh. 49

(Cont'd)
for claims of libel, invasion of privacy . . . *and for claims of copyright infringement* . . . *The Times shall have full control of the defense of any such claims* . . .". (Exh. 38 at M003662) (emphasis added).

35. The Newsday/Mead indemnification clause provides that "[t]he scope of this indemnification includes . . . claims in the nature of copyright . . .". (Exh. 40 at M003714).

36. The Time/Mead clause reads similarly and extends to copyright claims. (Exh. 41 at T000013).

37. The document bearing Bates stamp #'s M011427-011436 is denominated "CD-ROM Draft: 10/26/93." The defendants did not provide us with a copy of the final agreement in discovery. (The defendants took the position that they were not required to provide us with any documents that bore dates after the commencement of this action on the ground that they were per se irrelevant.)

38. The Time/Mead contract provided that "MDC shall use reasonable efforts to cause each document that MDC displays or distributes in copies to bear (i) the word "Copyright" or the abbreviation "Copr.", (ii) the year of first publication of such document as specified by Licensor, and (iii) (a) . . . the name "Time Inc." . . . [or] . . . "The Time Inc. Magazine Company".

at M011430[39]; see also Exh. 50 at U006722). Conversely, the publishers warranted that they held the copyrights that were required to enter into the Agreement and that Mead's exercise of the License "will infringe no copyright or other right of any person." (Exh. 40 at M003709; Exh. 41 at T000008; Exh. 38 at M003664; Exh 49 at M011432; Exh. 50 at U007080).

71. As will hereinafter be seen and as is explained more fully in the accompanying brief, the publishers did *not* hold the copyright on at least *some* of the individual articles on which their copyright notices were being displayed. At the very least, they did not hold the copyright on plaintiffs' articles.

WHEREFORE your affiant prays that the Court grant plaintiffs' motion for summary judgment on the issue of liability in its entirety.

Dated: March 15, 1996
New York, New York

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39. In the draft CD-ROM Agreement with which plaintiffs have been provided, UMI guarantees that it will display "Above the first paragraph of text of *each article" that is displayed* the legend "Copyright 199_ The New York Times." Following the Times' copyright notice, it will display the legend "Data supplied by NEXIS® Service", and "in the search data caption *above each article*," it will display the legend "Pro Quest . . . The New York Times." (Exh. 49 at M011430) (emphasis added).

Affidavit of Emily Bass

s/ Emily Bass
Emily M. Bass, Esq.

Sworn to before me this
15th day of March, 1996

s/ T. P. Higgins
Notary Public

THOMAS P. HIGGINS
NOTARY PUBLIC, State of New York
No. 02H15017628
Qualified in New York County
Commission Expires September 7, 1998

Affidavit of Emily Bass

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8	Answer of the Defendants The New York Times Company, Newsday Inc., Time Inc., Mead Corporation, and University Microfilms Inc. to Amended Complaint
	AFFIDAVITS
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9	Affidavit of Mary Kay Blakely, dated March 11, 1996
10	Affidavit of Barbara Garson, dated March 11, 1996
11	Affidavit of Margot Mifflin, dated March 12, 1996
12	Affidavit of Sonia Jaffe Robbins, dated March 12, 1996

13 Affidavit of Jonathan Tasini, dated March 12, 1996
14 Affidavit of David S. Whitford, dated March 13, 1996

Affidavits of Plaintiffs' Expert Witnesses

15 Affidavit of Glenn Williams, dated March 13, 1996
16 Affidavit of Timothy Smith, dated March 11, 1996
17 Affidavit of Linda Edgerly, dated March 13, 1996
18 Affidavit of Sey Chassler, dated March 11, 1996
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20 Affidavit of the Authors Guild, dated March 15, 1996

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Stipulations

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DEFENDANTS' CONTRACTS

Agreements With the Plaintiffs

36 Agreement between David Whitford and Sports Illustrated, dated April 8, 1991

37 Agreement between Jonathan Tasini and The New York Times, dated April 29, 1993

1. Since we do not want to burden the Court with duplicative exhibits, we are not supplying copies of the transcripts of Plaintiffs' depositions at this time.

Affidavit of Emily Bass

CONTRACTS BETWEEN THE PUBLISHER DEFENDANTS AND THE DATA BASE DEFENDANTS

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51 Documents Produced by Plaintiffs

2. Provided in numerical order.

EXHIBIT 1 – SAMPLE ARTICLES PRINTED FROM MICROFILM

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 2 — SAMPLE ARTICLES PRINTED FROM NEXIS

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 3 — SAMPLE ARTICLES PRINTED FROM "THE NEW YORK TIMES ONDISC" CD-ROM

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 4 — SAMPLE ARTICLES PRINTED FROM "THE GENERAL PERIODICALS ONDISC" CD-ROM

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 5 — PUBLISHER DEFENDANTS' COPYRIGHT REGISTRATIONS FOR THE COLLECTIVE WORKS

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 6 — PLAINTIFFS' COPYRIGHT REGISTRATIONS FOR THE INDIVIDUAL ARTICLES

[N.B.: This Exhibit is not included in the Joint Appendix, but is reprinted in a separate Lodging With Joint Appendix, Volume II — Articles And Registrations.]

EXHIBIT 15 — WILLIAMS AFFIDAVIT (WITH CURRICULUM VITAE), DATED MARCH 13, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Index No. 93 CIV 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, DAVID S. WHITFORD, and H. BRUCE FRANKLIN,

Plaintiffs,

– vs –

NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., THE MEAD CORPORATION, and UNIVERSITY MICROFILMS INC.

Defendants.

AFFIDAVIT OF GLENN R. WILLIAMS

State of New York :
: ss
County of New York :

Glenn R. Williams, being duly sworn, deposes and says:

Pursuant to Fed. R. Civ. P. 26, I have previously provided plaintiffs with an expert report. I am now providing the

substance of that report in affidavit form so that it may be used in support of plaintiffs' Motion for Summary Judgment in this matter.

1. My name is Glenn R. Williams. In addition to the professional experience directly relevant to the case detailed below, my academic and other qualifications are detailed in the attached resume. I have been asked by Emily Bass, Esq., to provide assistance in the interpretation and evaluation of the technological aspects of a case involving the transformation of writings originally prepared for the print media into data which is subsequently sold to purveyors and/or users of electronic media, including on-line services, CD-ROM, and microform reproduction.

Professional Qualifications

2. I have over 17 years' experience as a technical professional in the computer industry as a designer of computer systems and computer programmer. I am thoroughly familiar with the operation of mainframe, mini and microcomputers. Since 1987, I have designed data and/or text processing and search and retrieval systems similar to those described by representatives of the various defendants in this case, as well as on-line services. I am thoroughly familiar with and have worked on all of the operating systems referred to in this case to date.

3. Specifically, my professional experience includes the following:

As the manager of product development at Generation Sciences, Inc., I wrote and published the Reference Manual

and Users' Guide for their product, Gamma. This was an application generator package developed for, among others, LILCO, Eastern States Bancard Association, AFG Manufacturing and Western Union. As the lead developer, I designed and wrote extensions to the software including the interfaces to IMS, TOTAL, UCC-10 and Burroughs databases, on-line transaction processing and validation program generation, and internal semantic interpretation routines.

In addition, I designed and wrote applications for major firms in the banking, credit card, educational and utilities industries. I have written text processing and transfer programs for both mainframe and Personal Computers, in a variety of computer languages, including those that access IMS, a data base program developed for NASA and used by the New York Times Index.

4. From 1985-1987, I also taught in-depth courses in the use of application generation software, both in person and via videotape lectures, for J.P. Stevens Company, Essex Wire, Banker's Trust, and Tarkenton Software, Inc. Among clients for whom I have developed data-base systems are Smith Barney, CT Corporation (providing commercial software for on-line access to legal information services), CitiBank, New York Board of Education, Columbia University and Western Union. My responsibilities at these institutions included designing, programming, implementation, writing documentation and teaching others to use the systems.

5. During the past eight years, I have designed and programmed several large-scale search and retrieval systems,

and developed commercial software packages for the legal industry, two major banks, and a private commercial software house. These systems utilized state-of-the-art technology and relational database systems such as IBM's DB2, Borland's Paradox, dBase II and dBase IV, as well as sophisticated on-line monitor systems like CICS (IBM's Customer Information and Control System) within distributed processing environments.

6. In addition to this work in on-line systems, I have written several software packages for a variety of platforms which incorporate semantic textual analysis, text-formatting and telecommunications concepts for both PC-based system and Internet marketing. In each case I have also written both the functional specifications and system design documents as well as the program code. I have broad experience with text processing and desktop publishing systems and products on several platforms and operating systems: nroff, Troff, Tex and LaTex for Unix; Word Perfect, Word, DeScribe, LaTex, Hypertext Markup Language (HTML) for MS-DOS Windows and OS/2; Script/VS and Generalized Markup Language for the IBM mainframe.

7. Additional personal data, academic training, professional training and expertise are indicated in the attached Curriculum Vitae. Other than programs, program documentation, reference manuals and instructions and the teaching indicated above, I have not published books or articles, and have not testified in court as an expert witness. I am being paid at the rate of $100.00 per hour for consultation and $150.00 per hour, should I be required to testify in court.

Exhibit 15

Purpose of report

8. I have been asked to interpret for a lay reader the information provided by the defendants in this case relating to their conversion of work prepared for a print medium — i.e., to appear as an article in an edition of a newspaper or a magazine — into information available on an electronic data base (either on-line or via CD ROM) accessible by subscribing customers in the general public.

9. I have also been asked to offer an opinion *inter alia* as to whether the technological operations performed in order to convert text files that contain work written for publication in the print media into data available to an ultimate user are:

— (a) necessary to accomplish the transfer of text from one technology or medium to another (e.g., print to on-line service or CD ROM);

— (b) limited to those necessary to make that transfer;

— (c) necessary or appropriate for the purpose of creating a permanent record of the original publication (e.g., for archival purposes);

— (d) essential to the development and marketing of a product that can be sold by electronic data-base producers and vendors to ultimate users (institutions and individuals with Personal Computers) and, if they are, the nature of the product such operations create.

Exhibit 15

10. I have also been asked to express an opinion as to whether:

— (a) within the electronic information industry, the availability of a single verbal text in a number of different technological modes constitutes a single product, or a number of different products;

— (b) whether the electronic files of individual articles originally appearing in a print medium and subsequently converted for use in on-line services or CD ROMs are "the same as" the electronic files used to print the article;

— (c) whether the electronic file of an individual article available as part of a database is available to consumers only as part of the original edition in which it appeared or can be obtained independently; and

— (d) whether currently existing technology either permits or precludes a database provider from ascertaining the number of times a particular article has been accessed or down-loaded.

Summary of Conclusions

11. With respect to the questions in Paragraph 9, above:

— (a) Many of the operations performed upon the electronic files of an author's text are necessary to transfer the article from one computer system to another, to send it via communications systems, and to transfer it from one electronic medium to another, or from a non-electronic to an electronic medium, or vice versa;

— (b) According to the testimony in this case, the electronic transformations performed are not limited to those required by the technologies involved;

— (c) The only format mentioned that serves a permanent archival function is the preservation of the physical copies or, in the case of the New York Times, the "mechanicals" of each edition. "Microform" duplication — such as microfilm — also serves an archival function, and permits limited duplication and access at more than one site. The other media mentioned do not preserve the entire text of all the printed material in a publication, nor the graphic material, nor the articles in their visual and verbal context (i.e., as located with respect to other articles, placed on the page, and related to other features or advertising). They cannot be said to serve any true archival purpose; and

— (d) Among others, the operations related to indexing, marking the text and performing the operations necessary to permit "search and retrieve" functions are not required by the technology, but essential to the development of a product whose primary feature is the ability to quickly locate relevant material within and even across vast data bases.

12. With respect to the questions in Paragraph 10, above:

— (a) The fact that many different products make the same text available to users does not make them the same product. For example, an article available in the Encyclopedia Britannica in bound volumes in the library

is not, from the standpoint of technology or marketing, the same as accessing the article from a CD ROM of the Encyclopedia, or down-loading the article from an electronic service that provided it on-line. The text would be the same, but the service, in each case, is a different product. A still different product would be an on-line data-base specializing in the topic (for example, if one is doing research on marsupials, a data-base maintained by or for zoos);

— (b) The two electronic files containing what may appear as identical printed text are not the same, either technologically or from the standpoint of marketing. The electronic data recording the letters that compose the words of an article are merely the print-visible part of the electronic files. The files that are sent to a printer contain all sorts of "invisible" printing codes, formatting information, etc. Each time a file containing text is sent from one computer/program to another, it undergoes significant changes, whether manually or electronically made (e.g., by a computer program that translates one computer formatting language into another);

— (c) Text integrated into a data base is available to a large number of users independent of its original appearance as part of a series or collection of articles published together at any given time as a single edition. The data bases deal in articles, not editions; and

— (d) Available technology would permit vendors to develop systems to track the usage of articles accessed on-line or perhaps by CD-ROM hardware attached to an on-line system.

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13. In addition to my personal knowledge and experience, this report is based upon the following:

A. I was present at the deposition of:

(1) James E. Patterson, Vice-president of Business Information Services at the New York Times, taken on April 6, 1995;

(2) Mary Anne Skinner, Library Director for Newsday, taken on April 6, 1995;

(3) Lany McDonald, director of Time, Inc. Library, taken on April 6, 1995;

(4) Patrick M. Guiant, Vice President of Product Management and Development for UMI, taken on April 13, 1995;

(5) Richard Petrosino, Manager of Business Information Services for LEXIS-NEXIS (Mead);

(6) An informal information session with Mr. Raymond E. Douglas, Vice President of Systems and Technology for the New York Times, held on May 23, 1995; and

(7) The Rule 26(a)(2)(C) Report provided by Archivist Linda Edgerly to the plaintiffs.

B. I have reviewed the transcripts of the depositions of the witnesses who testified.

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C. As general background material, in addition to that listed above, I am familiar with and rely upon the technical account of the development of the New York Times Thesaurus and Information Bank System available in Harlan Mills, *Principles of Information Systems Analysis And Design*, Academic Press, 1986.

14. As a general matter, with the exception of the representative of UMI, the persons who testified at the depositions neither claimed nor exhibited significant knowledge about the technical aspects of the process of transforming text-for-print into text-for-on-line-data-base production and retrieval. My conclusions therefore represent the application of general principles about how the technology of the data-processing, communications and retrieval process operates to the specific facts provided regarding the steps performed by each defendant in the process of transforming text-for-print into text for searchable databases.

General Observations

15. It follows from the fact that there are various kinds of hardware, software and computer languages in existence and that there are different uses to which the text of articles originally published in print media can be put that the text an author submits to his editor undergoes a variety of transformations before it appears in print as part of a particular edition of a particular periodical. From a technological standpoint, it cannot be said that the electronic data file containing the author's submission prior to printing is the same electronic data file as that sent to the printer, or via ATEX to Mead.

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16. Each transformation of the "envelope" of electronic data which interacts with various kinds of hardware and software creates a different electronic file. If the electronic file to be transmitted from the author to any publisher (when the publisher receives data electronically from the author), or from any publisher to Mead, were mistakenly sent, for example, to the New York Times printer, its content would not be printed. Similarly, if the file for the printer were sent to Mead, the data-base producer would have the "wrong file" for the purposes of adding to its New York Times on-line data base.

17. Additional transformations are required to transfer the text of an article from any publisher to Mead for incorporation into an on-line electronic data-base service, or from Mead to UMI for incorporation into a file on a CD ROM.

18. The only format that "reproduces" the article-as-printed by means of an "electronic photograph" of the page on which it appears is UMI's microform reproduction process (including both microfilm and microfiche). The on-line services and text-only CD ROM products that UMI produces do not capture and transmit images of pages of a publication, but rather different versions of electronic text that includes (but is neither limited to nor identical with) the text of the article as it appeared in print.

19. On the basis of the testimony of the publishers in this case and my knowledge of the electronic information industry in general, it is apparent that what the publishers transfer to the data-base providers is not entire editions of

any print-medium publication, but rather selected "information included from the [periodical] that people want to read" (Deposition of Guiant, UMI at 13), or "data from" a periodical which can be used to recreate "the text" of an article in an electronic "format that can be . . . searched and accepted by the data-base vendors." (Deposition of McDonald, Time, Inc. at 6, 10, 12.) Human criteria also intervene to identify and select what information will be sent to data-base vendors. Although people also want to read stock reports and do crossword puzzles, that data is *not* transmitted.

20. One data-base vendor (UMI) confirmed that the "data" of interest to the data-base vendor is not entire editions of newspapers, but "the series of words exactly as they appear" in individual stories published in a newspaper or magazine. While hard-copy and microfilm versions of entire editions in the print media faithfully reproduce the original record, they are technologically not amenable to the "search and retrieve" function that creates the demand for the service provided by the data-base vendors. (Deposition of Guiant, UMI, at 31.)

21. Once an article has been prepared for transmission to Mead, transmitted and received, the data-base producer performs a number of additional operations to facilitate the searching and retrieving of individual articles. This includes removing any special formatting codes inserted for transmission or use by the transmitter and the processing of the text by a "Term Topic Identifier" program that identifies significant words in an article corresponding to index topics. When those words are identified by the program, they are marked in a way that facilitates recognition and retrieval

when an ultimate user makes a search request. Finally, a "searchable lead" is created to help a user identify the main topic of an article.

22. At least up to the present time, the search-and-retrieval capabilities of computer programs depend upon the program's ability to match the symbols used to represent the "search" words (or numbers) input by the user with those same words appearing as text in the data base. Because images are binary data, and not text-data, they cannot be incorporated into a text-only data base such as ASCII or ATEX. Thus, images are not amenable to searching.

23. The exclusion of images from the data transmitted by publishers to data-base creators and vendors is not the result of technological limitations, however. Rather, it is the result of a decision about what technology to use in order to accomplish a particular goat: selling a product that provides individual subscribers quick access to a vast amount of information from a variety of different sources. Were the goal of the data-base vendors purely or even predominantly archival, they could and would chose a technology suited to that purpose: microfilming.

24. Although it is possible to electronically "scan" an image of a page of a newspaper into a computer, and create an exact replica of each page, it would not be possible to search for a particular word or topic in that image in order to locate a story containing information sought by a researcher or writer.

25. What the data-base producers purchase from the publishers for their "full-text searchable" products is thus

not entire editions of any publication, but a separate product, specially prepared for them, that uses much of the content of the publication, but in a format amenable to the "search and retrieve" function.

26. To this end, the publishers dedicate considerable resources to the task of disassembling" each edition, i.e., taking certain electronic files that are resident in their computers, deleting certain information from those files and adding other information in order to satisfy the demand for the text of discrete articles that can be retrieved by theme, author or key words, independently from the rest of the edition in which they originally appeared.

27. Although initially there were technological reasons for not transmitting graphic images, and therefore, not transmitting images of physical pages by electronic means, this technological factor is not today either the only, or even a primary reason for publishers and data-base providers dealing in individual articles rather than in entire editions or pages. Today, the reason for not transmitting facsimiles of pages of a newspaper lies not in any technological difficulty in the transmission of images, but in the technological difficulty of searching and retrieving text transmitted in a format that carries images as well as graphics.

28. The operations required to "disassemble" an edition of a newspaper or a magazine and turn it into text amenable to electronic transmission and efficient searching and retrieving as part of a huge data-base system (such as those described in the depositions of Mr. Patterson (New York Times) and Ms./es McDonald (Time, Inc.) and Skinner

(Newsday) would not be required for mere archival storage of whole editions of a newspaper or magazine. Such archival storage was and is being done both physically (e.g., by retaining the mechanicals) and on microfilm.

29. The transformation of a particular edition of one of the print publications (New York Times, Sports Illustrated, Newsday) into data files available for transmission both to and by database services makes an individual article that had appeared as part of a print publication available to the general public ***independent and apart from*** the other articles, stories, advertisements, graphics and statistics, etc. that had appeared together with it in a particular edition.

30. An individual who subscribes to NEXIS or who sits down at a ProQuest (New York Times Ondisc) work station and asks the database service to search for information regarding the similarities between cantaloupes and cassava melons will come up with a list of stories or articles that somehow discuss or contrast the two. (If his search is "cantaloup! w/7 cassava," he will at least get a list of articles that *mention* the two types of melon, even if they don't compare or contrast them. Some of the articles on the list are likely to be on point.)

If he then chooses to view one of the items on the list that was found to contain the two search terms, NEXIS or ProQuest will make the article in which the two terms "occurred" available for viewing by itself, independent of other articles and of graphics that appeared with it when the article appeared in print.

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I myself have done searches of this type on these systems and can attest that this is the case.

31. Reproduction in microfilm preserves the complete original edition of a publication. While it is excellent as an archival form, it does not make individual articles identifiable and accessible independently or apart from the edition in which they appeared. Microfilm versions of printed periodicals preserve entire editions of a newspaper or periodical for use in more places and for longer than paper editions, which are subject to deterioration and bulky to store.

32. Because microfilm lacks both the wide-distribution, vast data-base and search and retrieval capabilities of the CD-ROM and on-line service technologies, the potential for future use of an article or story is vastly greater in the latter technologies than in the former. The principal marketing distinction between CD-ROM and on-line data-bases that visually provide the same texts and search and retrieval capabilities is the ability of the data-bases to permit the data-base user to scan vast and constantly-updated sources of information, and retrieve and download only those particular articles worthy of occupying space on his or her hard or floppy disk. Purchasers of CD ROMs can acquire a vast amount of information through which they can search, but it provides access to a finite quantity of information dating back from the date of production of the disk. Updates are more cumbersome and much less frequent, and information can only be acquired for printing if the user has purchased or leased the entire disk, rather than the few minutes of on-line time it might take to find a single article and down-load it. CD ROMs also provide access to a single, although

vast base of data, while on-line services may provide simultaneous access and searching across a number of data bases. Information accessed from an on-line data base may be "downloaded" onto a personal computer for subsequent retrieval, reading, or modification. According to the UMI witness, texts stored in CD ROM format can be searched and retrieved, but then only printed. They cannot be downloaded or copied to the disk of a personal computer. In the opinion of the undersigned, this is not a technological limitation inherent in the CD ROM format.

33. The application of the electronic technology to the texts of articles appearing in print media has vastly increased the market for individual articles independently of their original context as part of a printed edition.

FINAL CONCLUSIONS

34. No change in the **text** of an individual article is required to transform an article appearing in print to one available from an on-line service as part of an electronic data base.

35. The *elimination* of formatting and location codes, instructions regarding physical spacing and other notations inserted into the electronic text of the article sent to a printer is essential to the transformation of an electronic text prepared for print publication into one that can be incorporated into an electronic data base.

36. By the same token, information must be *added to* or *inserted in* the data so as to enable the data-base producer

and on-line service-provider to indicate the origin of an article and to link an electronic file containing the text of an article with the appropriate headline, by-line and/or caption. (Although photo illustrations are excluded from the material provided on-line, descriptive explanations of the material that has been excluded are often provided in their stead.)

37. At this point in the development of the CD-ROM technology the deletion or exclusion of images from a printed page is not necessary for the transformation of a printed page either into that medium or into an on-line medium. The presence of images inhibits the searching function, however.

38. The indexing work performed by the publishers and database producers and providers is essential to the availability of an article for retrieval from an electronic data base, either on-line or CD-ROM. It is not work that is essential to the creation of a permanent archive.

39. The manual indexing and abstracting of The New York Times that was done prior to 1983 enabled professional researchers to re-use hard-copies of the printed periodical and helped to create a research market for microfilm versions of the periodical. Because of its relative cost and inaccessibility, it did not create a significant market for re-publication or re-use of individual articles.

40. Such a market was created by the combination of the vast data-base capabilities of modern computers, the development of powerful personal computers, and the development of powerful search-and-retrieve programs that permit individuals to find and retrieve individual articles on

the basis of index terms, key words or by-lines within extensive data-bases or across data-bases from different sources.

41. Both the reformatting and indexing performed by the publishers prior to transmission to LEXIS-NEXIS, and by LEXIS-NEXIS thereafter, is essential to the creation of a new product that provides ultimate users with rapid access to individual articles on a given theme. It is unnecessary for and/or inconsistent with the creation of a permanent archive.

42. The electronic data files containing the "post-print" versions of works of individual authors can not be said, from the perspective of technology and marketing, to constitute the same work or a revised version of the original newspaper or magazine in which they appeared, but are a different product altogether. Individual articles are marketed as part of a large data-base, not individual editions of a particular publication. For example, while it is possible for an ultimate user to "down-load" (write to his or her disk), view or print an entire article from NEXIS, it is impossible to retrieve or display an entire issue or edition as a single unit. This is because, as I stated before, the database deals in articles, not editions. (The fact that the publishers and database producers assign individual "accession numbers" to articles and not editions confirms this fact.)

43. At ¶ 29 of their Rule 3(G) Statement, the defendants attempt to finesse this issue. They state:

> After receiving the electronic transmissions from the Times Co. and Newsday, NEXIS transfers,

Exhibit 15

> and at all times relevant to this action transferred, the content of each day's articles in their entirety, and without substantive revision, to its computerized library. As a result, the textual content of each daily edition of the New York Times and Newsday in the NEXIS computerized library is substantively identical to the daily editions printed on paper and the microfilm and microfiche editions of each newspaper.

From a purely literary point of view, the defendants may be accurate — that is, the print visible text of the article that appears in the paper is the same as the print visible-text of the article that can be called up to the computer screen. Stated otherwise, the words and word sequence of the two are the same. (Indeed, it is *because* this is so, I am told, that the defendants are guilty of copyright infringement. They have copied the plaintiffs' words.) From a technological or commercial standpoint, however, it is not accurate to say that there has been no "substantive revision." The products that result from the procedures that the defendants are referring to are very, very different from the papers that the publisher defendants have historically produced.

OBSERVATIONS

44. On the basis of the testimony summarized in the previous paragraphs and my experience and learning in the industry, it is obvious that while available technology permits a data-base vendor to receive, store and transmit images of entire publications (such as is done with The New York Times Book Review and Magazine), preserving both the

physical images (e.g., photo illustrations) and the verbal contexts (other articles, advertising, etc.) of individual articles in a publication, the fact that the "image" itself can not be "searched in any way" (Deposition of Guiant, UMI, at 73, line 6) means at present, an "image only" product would have significantly lower market potential than a product that can be fully searched.

45. Although none of the defendants whose deposition I attended testified that they did so, there is, to my knowledge, no technological barrier to keeping track of the number of times a particular article has been accessed or downloaded.

Dated: March 13, 1996
New York, New York

s/ Glenn R. Williams
Glenn R. Williams

Exhibit 15

Curriculum Vitae

Glenn R. Williams
16 Park Place
Brooklyn NY 11217 USA
(718) 783-3842
email: gloonie@ibm.net

Personal Information

Date/Place of Birth	29 Sept 1952, Urbana, IL
Marital Status	Married
Dependents	None (2 grown children)
Citizenship	USA
Passport Nbr / Expiration	150200076 / 22 Mar 2003

Academic Education

State University of New York *at Stony Brook, NY*	Master of Arts with Distinction
The Colorado College *Colorado Springs, CO*	Bachelor of Arts with Honors Phi Beta Kappa, Cum Laude

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Technical Training

Digitalk, Inc.	Nov 1993	Smalltalk/V: Intro to Objects
Metaphor Computer Systems *New York, NY*	June 1990	Advanced Metaphor
Metaphor Computer Systems *New York, NY*	July 1989	Metaphor Application and Design
TeraData Corporation *New Hyde Park, NY*	May 1989	Teradata DBC Structure and Physical Design
Information Resources Inc. *New York, NY*	Sept 1987	Mainframe *Express* Applications And Concepts.
Online Software Int'l *Ft. Lee, NJ*	Aug 1984	IMS DB/DC Application Programming
IBM (Education Division) *Briarcliff Manor, NY*	June 1980	CICS Application Programming
New York University	Summer 1978	Certificate program in COBOL &

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Employment History

11/93-now *Advanced Decisions Inc., New York, NY*

Senior Applications Consultant and Chief Financial Officer.

Current contract with CitiBank, N.A. Design and coding of batch messaging system from the mainframe to the distributed Dec Alpha system running Oracle under Unix. Wrote the messaging language interface translation and encoding software, demographic conversion modules.

Prior project with Smith Barney, a major financial and brokerage services firm. Analyzed, designed, and implemented a flexible target marketing database system to eliminate dependencies on external vendors. The system involved client-server interface in Metaphor, intersystem connectivity between DB/2 on the main frame and SyBase under AIX on an RS/6000.

Chief technical advisor and developer of Passkey® relationship analyzer and decision support software with the Relational Systems Group, Inc.

10/90-11/93 *Advanced Decisions Inc., New York, NY*

Senior Applications Consultant and Chief Financial Officer.

Primary contract with CT Corporation, a major firm providing commercial software for online access to legal information services. Responsibilities included project

management, analysis, design, and implementation of the Name Search Engine for an integrated micro-mainframe commercial product with GUI front end interface. Designed the CICS/CSP/DB2 user interface and data warehouse control programs. Supervised a team of three programmers for coding the data collection and online systems. Primary responsibility for documentation and product delivery. Worked with Data Administration on the physical and logical data base design, and with the microcomputer team on the object-oriented PC interface. Other projects: development of ZIP+4 Postal encoding, address parsing software, householding software, and rapid text retrieval applications.

05/87-09/90 Advanced Decisions Inc., New York, NY

Senior Consultant.

Under contract with the Development Division of CitiBank, NA.

Intense design and enhancement of cross-business MIS database, development of Mainframe to PC data links. Designed and coded Household Movement Analysis system. Designed, implemented, and maintained the foreign & domestic Name/Address parsing system and account analysis for Marketing Decision Support. Worked on the team to create a bank-wide, cross-division database (Teradata DBC).

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06/81-06/85 Generation Sciences, Inc.

Senior Analyst/Consultant.

Life-cycle responsibility for design, coding and implementation of the Custodial Compensation System for the New York City Board of Education. Led the design team of six people, from heavy involvement with union/management negotiations to completion of the final system.

Management of system enhancement projects for Eastern States Bankcard Association, including Credit Card Reissue, Hot Card tracking, Management Reporting.

Primary involvement in the design and coding of the unified Credit Credit Card Issue/Reissue system.

10/78-06/81 Generation Sciences, Inc.

Programmer/Analyst. Coded CICS Online Records Retrieval for Columbia University and the Usage Charge Billing System at Western Union. Worked as a programmer on the Automated Management Control System (United Technologies) and Customer Billing (LongIsland Lighting Company).

Exhibit 15

Hardware and Software Experience

Hardware	Mainframes: IBM 30xx, 43xx, 370, 360, and Amdahl 470 v.7. Special: Teradata DBC relational database processor Micro: IBM PC (80x86 series).
Operating Systems	Mainframe: MVS/XA, MVS/ESA, VM/370, DOS/VSE PC: IBM OS/2 Warp; Linux; COHERENT (Mark Williams' Unix); PC: MS-DOS, MS Windows 3.1; Windows '95; Midrange: AIX (RS/6000).
Languages	Smalltalk/V, PARTS Workbench, Visual Smalltalk C, perl, awk, lexx, yacc, ksh scripts C370, COBOL/VS & COBOL II BAL (OS/VS & CMS Assembler) SQL, QMF, REXX OS/2 and TSO), CLIST Dialog Management Services VisPro Rexx; VisPro Reports, Rexx DLL;s
Databases	IBM DB2, OS/2 DB/2 2 IMS DB/DC Teradata DBC 1012 Paradox 3.5 and 4.0, Paradox for Windows, dbase III, dbaseIV, VSAM, ISAM, IAM.

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Online Software	Goserve Web Server (OS/2); CICS/VS (with DB2, SPUFI, QMF, ProEdit, Intertest) IBM/Metaphor Data Interpretation System Teradata DBG ITEQ & BTEQ; TSO, ISPF/PDF.
Utilities & Tools	TeX & LaTeX; Unix utilities, vi editor, SyncSort (Data Utilities and Exit Routines); DFSort LIBRARIAN; CA-Optimizer, SDSF; Panvalet; CobolAid, FileAid, SHRINK/MVS; Group-1 Address Software; COBOL II Online Debugger, Xpediter Debugger, Realdbug; WordPerfect, MS Word, DeScribe, Mesa/2, Quattro Pro.
Structured Methodologies & CASE Tools	Jackson System Development (JSD/JSP), Ward/Mellor, OMT, Responsibility-Driven Design (Wirfs-Brock), Familiarity with Booch, Coad and Yourdon Object-Oriented methods.
Micro & Mainframe Communications	Internet facilities and utilities, Web Explorer, Go-Serve Web Server, FTP, IBM FTTERM, Smartcom, FileLynx, IRMA FTTSO/FTCMS, Crosstalk, QL2Fax; Packet/370; OS/2 Comm Mgr; RLink; some TCP/IP (Mainframe and PC), OS/2 Faxworks.

Exhibit 15

Professional Awards

1993 Legal Tech Product of the Year (awarded to CT Legal Information Services for the product mentioned above).

1993 MarvelLIS award for outstanding achievement (awarded by CT Legal Information Services).

1989 First Million Dollar Sales Award (from CitiBank USCB).

1986 Appreciation Award (Tarkenton Software).

Language Skills

German Reading, speaking, and writing. (Studied 1969-1970 Classical Gymnasium, Winterthur, Switzerland)

Italian Reading, speaking (working knowledge), some writing.

Turkish Reading, speaking (intermediate skills).

Other Some reading and speaking French.

Exhibit 15

Professional Associations

Association for Computing Machinery (ACM), Voting member. International Computer Professionals Association, Full member.

Sworn to on this
13th day of March 1996

s/ Dayle B. Licht
Notary Public

DAYLE B. LICHT
NOTARY PUBLIC, State of New York
No. 01-4635399
Qualified in Queens County
Commission Expires May 31, 1996

EXHIBIT 16 — SMITH AFFIDAVIT (WITH CURRICULUM VITAE), DATED MARCH 11, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Index No.:
93 CIV 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, DAVID S. WHITFORD, and H. BRUCE FRANKLIN,

Plaintiffs,

– vs. –

NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., THE MEAD CORPORATION, and UNIVERSITY MICROFILMS INC.

Defendants.

AFFIDAVIT OF TIMOTHY D. SMITH

State of Ohio :
: ss
County of Portage :

Timothy D. Smith, being duly sworn, deposes and says:

STATEMENT OF OPINIONS

Based on my 28 years in journalism, which includes time spent as a reporter, editor, educator and lawyer, I state the following:

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The newspaper industry has come a long way since the invention of movable type made production and widespread distribution possible. Virtually every element of the publishing business has changed except that newspapers are still printed on paper. Sometimes, after they are printed on paper, the newspapers are bound into volumes. Sometimes, copies are photographed and reduced to fit on microfilm or microfiche. Technology now also permits a story that first appeared in print to be subsequently stored in a database for later access by newspaper personnel or others. But that story is markedly different than either the bound volume or the photographically shrunken copy of the entire newspaper.

Newspapers began exploring the electronic possibilities as a way to eliminate costly, space-consuming, clip-based morgues. With this technology also came a change in attitude about access to the morgue. When they were paper-based, newspaper morgues typically were off-limits to the general public. For security reasons, only staffers were permitted access. While serious researchers were sometimes permitted limited use, there was no thought to making more widespread use of this resource because there was no profit in it. The primary reason for bound volumes or microfilm was to preserve the contents — the entire contents — of the newspaper, not improve the newspaper's revenue stream. The electronic products were more secure from tampering and, newspapers discovered, there <u>was</u> a potential for profit. Those outside the newspaper would pay for access because the electronic database was searchable in a way that was never possible for bound volumes or microfilm. But there was no thought given, in my experience, to the possible copyright implications or consequences of such a development.

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At most, there was some discussion about libel implications, since access to a libelous story might constitute republication, thus extending the statute of limitations for suit. There was certainly no industry-wide assumption that publishers had the rights they needed — from a copyright standpoint — to shift materials that had appeared in print to a database.

The version of a story that appears in print and the version that is stored in a database may, indeed, be the "same" story in the sense that they contain the same basic information. It is, however, a different work. The print version of a story is part of a collective work. The electronic product stands alone. That point is driven home in a memorandum to New York Times department heads and section editors from Kevin McKenna and Dennis Stern, dated July 20, 1995. The memo asserts that all freelancers must sign a contract agreeing to give the Times the right to reproduce in electronic form anything that is printed in the paper. Contrary to the assertions of defendants' experts, the Times apparently does not believe it has those rights by default now in the absence of any specific contract language. "We need to build a foundation today that will give us the flexibility later to create new digital publications that we cannot even imagine now," the memorandum states. It is clear that the new, digital versions of the stories are already here and the Times did not anticipate what rights it would need to make use of them.

The electronic product and the printed story are similar, but they are not the same. Further, the difference is more than merely the medium. For example, unlike the bound or microfilmed products, the electronic product is stripped of all photos and graphics. It is text only. It also usually contains

some additional data, such as a word count. The database product also lists the location of the original in the newspaper because it has been removed from the context of the printed product. Typically, "key words" are added by an editor or librarian assigned to database work to aid in future searches for this story. These words would not have appeared in the original, but they relate to the story's subject matter and serve to help searchers locate other stories on this subject. These alterations make clear that the newspaper company itself considers this a different product than the one printed on newsprint. The printed version is part of the daily product. It carries no references to earlier stories on related subjects. If there is related matter, it is in that day's paper and the reference will be to a page number in the paper. There is no way for that day's reader to scan further material printed a week ago on this subject or to see what else the newspaper has published on this same topic a year ago. But the reader of the electronic product has that capability, in part, because the original version of the story has been augmented to make it more useful to this new audience. With little effort, it is possible to list numerous other differences between the electronic product and printed stories in the newspaper. There are no display ads, classified ads or sports agate and usually no letters to the editor or syndicated columns. Much of what makes a newspaper a newspaper is missing. No photos. No graphics. No editorial cartoons. No Doonesbury. (I would imagine Mr. Trudeau would speak up promptly if his material suddenly started showing up in an electronic database, even in a text-only format.)

The audience itself is likely to change substantially as the story moves from printed version to database. Even for a

national publication such as the New York Times, there is a limited number of subscribers to its newspaper product. Their number also drops substantially outside the New York metropolitan area. But the Times' electronic customers probably span the globe. Customers of commercial on-line services such as LEXIS-NEXIS may download a Times' article from any computer equipped with a modem. Further, that customer may transfer a story from the NEXIS database to the Internet and share it worldwide with thousands, potentially hundreds of thousands, of new readers. Access to the original article has multiplied geometrically. This cannot be dismissed as a mere change in format to ensure preservation. Technology exists today to allow a newspaper subscriber to use a hand-held computer to access a satellite transmission of information from an electronic news source, filter out all the news outside the subscriber's pre-set parameters, and settle in for a few minutes perusal before shifting the machine to another function. That is more than just a difference in degree to juggling a broadsheet on the subway while trying to avoid smearing too much ink on one's hands.

As a matter of custom and practice, newspapers have acquired freelance material for one-time use without careful reliance on written contracts. Agreements typically are oral. Nor is it newspaper practice, in my experience, to attempt to acquire more rights by printing contract-like, rights-divesting language above the endorsement section on the back of a freelancer's check. The practice that I am familiar with posits that the freelancer is selling the right to publish a story in one day's print edition of the newspaper. Getting this detail in writing hasn't proved necessary because use of the story

in additional markets was presumed to be the right of the freelancer. For example, Knight Ridder Inc., which has its own wire service, typically does not use freelance material purchased by one of its papers on the wire without the freelancer's permission. According to a 1990 study of this issue by Dirk Smillie for the National Writers Union, the Boston Globe did not include freelance material with staff-produced stories sent to its on-line database. Smillie quoted an editor as saying that the paper did not believe it had the right to sell such material. He found contrary opinions at other major papers, including the Times. In fact, there was little uniformity on such issues as selling freelance material to the wire services or providing syndicated material to on-line databases. The only absolutely clear point in Smillie's study was that there was no standard practice for the newspaper industry in dealing with this issue.

BASIS AND REASONS FOR OPINIONS

1. I have been a newspaper reporter and editor for 20 years. During that time, I have had numerous occasions to work with freelance material and the issues surrounding its use. I have submitted freelance material to various publications, including the New York Times. I have also worked for the last eight years as a journalism professor, teaching reporting, editing and media law. In my capacity as an educator, I have served as an adviser to student publications and am familiar with the issues involved in making a newspaper's contents available to on-line users.

2. As a lawyer specializing in media issues, I am familiar with the basics of copyright law and its underlying goals.

Exhibit 16

I have advised countless students and professionals on their rights in the freelance market.

SPECIFIC ARTICLES OR STUDIES I HAVE CONSIDERED IN CONNECTION WITH THIS REPORT

1. Copyright and Compensation: How on-line revenues are sparking a new debate over the use of freelance work; A report to the National Writer's Union. By Dirk Smillie, Coro Fellow, June 14, 1990.

2. Availability of electronic full-text sources: A look behind the scenes. By Anne P. Mintz, Database v16n5 October 1993.

3. "How full is full" revisited: a status report on searching full-text periodicals; databases; Cover story. By Ruth M. Orenstein. Copyright 1993 Information Access Co.

MY QUALIFICATIONS, INCLUDING A LIST OF ALL PUBLICATIONS I HAVE AUTHORED WITHIN THE PRECEDING TEN YEARS

I refer defendants to my curriculum vitae, which is attached to this affidavit.

COMPENSATION TO BE PAID TO MR. SMITH FOR THE STUDY AND TESTIMONY

I have been paid $1,500 as a retainer against a fee of $150 per hour, with the final fee dependent on the amount of time needed to complete my study and testimony.

Exhibit 16

LISTING OF ANY OTHER CASES IN WHICH MR. SMITH HAS TESTIFIED AS AN EXPERT AT TRIAL OR BY DEPOSITION WITHIN THE PRECEDING FOUR YEARS

I refer defendants to my curriculum vitae, which is attached to this affidavit.

Dated: March , 1996
Kent, Ohio

s/ Timothy D. Smith
Timothy D. Smith

Sworn to on this
11th day of March 1996

s/ Marsha L. Cheshire
Notary Public

MARSHA L. CHESHIRE
Notary Public For State of Ohio
My Commission Expires
June 25, 2000

Exhibit 16

CURRICULUM VITAE

Name: Timothy D. Smith Date: 5-26-95
Date of hire: August 1986
Current rank: Professor

EDUCATION:

Bachelor of Arts	1965	Ohio State University.
Master of Arts	1971	Ohio State University.
Juris Doctor	1977	School of Law, University of Akron.

PROFESSIONAL EXPERIENCE:

January, 1991 - present: Director, Ohio Center for Privacy and the First Amendment

August 1986 - present: Professor of Journalism, Kent State University.

July 1, 1991 - June 30, 1994: Interim director, School of Journalism and Mass Communication

January to June 1991: Law Clerk, Ohio Supreme Court, Justice Craig Wright (while on leave from Kent State)

September 1983 to May 1985: Adjunct faculty, School of Journalism, Kent State University.

September 1967 to June 1986: Akron Beacon Journal, Akron, OH.

Exhibit 16

Positions held:

August 1984 - June 1986: Managing Editor

January 1980 - August 1984: Assistant Managing Editor

July 1977 - January 1980: Metro Editor

June 1973 - July 1977: Assistant and Associate Metro Editor

September 1967 – July 1973: Reporter

June 1966 to August 1976: United Press International,

PUBLICATIONS, EXHIBITS, PERFORMANCES:

Refereed article, co-authored with Laura M. Bartolo, Reference Librarian, Kent State University Libraries, "*Interdisciplinary Work and the Information Search Process: A Comparison of Manual and Online Searching*," College and Research Libraries, pp. 344-353, July 1993.

Refereed article, co-authored with Prof. Stanley Wearden and Prof. Jeffrey K. Smith, "*An Experiment on the credibility of Anonymous vs. Named Sources*," Newspaper Research Journal, Fall 1992.

Article, "*Big Concept, Big Plan, Big If*," Corporate Cleveland magazine, August 1992.

Exhibit 16

Refereed article, *Job Interviewing Techniques*, College Media Advisor, Fall 1991.

Refereed paper, co-authored with Prof. Stanley Wearden, "*An Experiment on the credibility of Anonymous vs. Named Sources*," Association for Education in Journalism and Mass Communication, Boston, August 1991.

Article, "*Can Press Break Its Word?*", Cleveland Plain Dealer, *Forum Section*, March 16, 1991.

Seminar: "Cutting Edge Issues in Juvenile Court," Supreme Court of Ohio Judicial College, July 8, 1994 Cleveland; July 22, 1994, Columbus, OH

Seminar: "Ask the Experts" Recent developments in Opne Records Laws, The 1994 Ohio Media and Law Conference, Aug. 19, 1994, Columbus, OH

Seminar: "Access to public records for university newspapers; first job experiences". Rocky Mountain Collegiate Press Association, SW Texas State University, San Marcos, TX, March 8-10, 1990.

Producer, and moderator, *Northeast Ohio Faces the '90s*, WNEO-TV, Dec. 12, 1989.

Article, "For Personal Reasons", FineLine, October 1989, Louisville, KY.

Article, "*The rights of commercial utterance*", Cleveland Plain Dealer, Sept. 9, 1989.

Exhibit 16

Seminar: Panel member; "*Media Access to Judicial Proceedings*," co-sponsored by Ohio Bar Association, Ohio Newspaper Association and Ohio Association of Broadcasters, July 8, 1989, Columbus, OH.

Seminar: Newsroom Management Techniques, sponsored by the United Press International Editors Association, May 1989, Sandusky, OH.

Seminar: Legal Affairs Reporting; organized and moderated event attended by 40 reporters from Northeastern Ohio; Received grant from the Ohio Newspaper Association. April 15, 1989, Kent, OH.

Article, "*The allure of concealing information*", Cleveland Plain Dealer, *Forum Section*, April 3, 1989.

Report, 1989 Ohio Freedom of Information Report, March 1989, Cleveland Press Club.

Column, "*Open-records law in Ohio really isn't a secret.*" op-ed page, Akron Beacon Journal, Feb. 28, 1989.

Report, 1988/89 FOI Report of the Associated Press Society of Ohio, June 1988/89.

Report, 1988 Ohio Freedom of Information Report, July 1988, Cleveland Press Club.

Brief Amicus Curiae, Ohio Supreme Court, State ex rel. FOSTORIA DAILY REVIEW COMPANY vs. FOSTORIA HOSPITAL ASSOCIATION, et al., Case No. 87-102, filed March 17, 1987 on behalf of Common Cause/Ohio.

Exhibit 16

Seminar: "*Dealing with the Sensational Court Case*," discussion leader for a panel of professional journalists, lawyers, students and judges, sponsored by the Akron Chapter of Sigma Delta Chi, Society of Professional Journalists, March 8, 1987, Akron, OH.

Report, Freedom of Information Committee, APSO, June 1987

Report, Freedom of Information Committee, APSO, June 1986

Analysis, *Scott v. News-Herald*, an Ohio Supreme Court decision on libel for the Associated Press / Ohio report, September 1986

Article, Future of Journalism Education, Press Club of Cleveland, 1986 Hall of Fame Commemorative Issue, November 1986

Report, Freedom of Information Committee, Associated Press Society of Ohio, June 1985

PRESENTATIONS AT PROFESSIONAL MEETINGS:

Invited presentation: "Cutting Edge Issues In Juvenile Court." The Supreme Court of Ohio Judicial College; Cleveland and Columbus, OH, July 1994.

Invited presentation: "Trends in Mass media." Leadership Mahoning Valley conference, Warren, OH November, 1994.

Exhibit 16

Invited presentation: "Ask the Experts." Recent developments in media law; 1994 Ohio Media and the Law conference, Columbus, August, 1994.

Invited presentation: "What's New in the News Business?" Kent Rotary, Kent, OH September 22, 1992

Invited presentation: "Media Relations in the Public Sector." American Society for Public Administration (Akron Chapter), Akron, OH November 1993.

Invited presentation: "The Center for Privacy and the First Amendment" Alliance Area Democrats, Alliance, OH September 9, 1992

Invited presentation: "Rights of Privacy"; American Prospect Research Association, national convention, Reston, VA August 21, 1992

Invited presentation: "Ethics in Journalism", the Wick Lecture Series, Trumbull Campus, KSU August 10, 1992

Panel: Moderator, "Cameras in the courtroom"; annual Law & Media Conference, Columbus, OH, July 1992.

Invited presentation: "New Developments in Mass Communication", Leadership Warren, Warren, OH June 4, 1992

Panel: Moderator, "Hate Speech", School of Journalism and Mass Communication Week, Kent, OH April 29, 1992

Exhibit 16

Panel: Moderator, "Reporting Ethics", Society of Professional Journalists. Columbus, OH April 25, 1992

Panel: Moderator, "Government Conflict," Radio Television News Directors Association, Columbus, OH October 12, 1991

Invited presentation: "How to handle libel cross-examination;" Crain's Publications, Annual Editor's Meeting, Cuyahoga Falls, OH May 6, 1991

Invited presentation: Legal reporting. Ohio University School of Journalism, Athens, OH April 27, 1991

Panel: Moderator, "First Amendment -vs.- Libel;" panel discussion sponsored by Ohio Newspaper Association convention, February 14, 1991

Speech: "Access to Records", Ohio Prospect Research Network. Columbus, OH. June 1990

Panel: Moderator, "The High Profile Case", panel discussion sponsored by Ohio State Bar Association Convention, Dayton, OH May 1990

Panel: Moderator, "Ethics and Juveniles", panel discussion sponsored by Society of Professional Journalists, Akron, OH February 13, 1990

Workshop *Ohio's Open Records Law*, Ohio Prospect Research Network, Columbus, OH, October 1991.

Exhibit 16

Panel: Moderator, "*Cops Robbers and Reporters*," Radio-Television News Directors Association, Columbus, OH October 1991.

Panel: Moderator, "*Socratic Dialogue: Journalists, Their Sources and Ethical Concerns*," Akron chapter, Public Relations Society of America, Sept. 14, 1989.

Workshop, 1989 Media and the Law Conference, panelist for session on "*Practical Concerns in Covering Public and Private Judicial Systems*." July 8, 1989, Columbus, OH.

Debate: Moderator, "*Access to Ohio's Public Records*," sponsored by the Cleveland Press Club, March 31, 1989, Cleveland, OH.

Panel: Moderator, "*Tough Decisions in the Newspaper Business*," 56th annual convention, Ohio Newspaper Association, Feb. 17, 1989, Columbus, OH.

Panel: Moderator, "Implications of *Hazelwood School District vs. Kuhlmeier* for High School and Professional Journalists," two panel discussions sponsored by the Cleveland chapter of the Society for Professional Journalists, February 16, 1989, Cleveland, OH.

Workshop, "*Legal and legislative implications of Hazelwood School District vs. Kuhlmeier*; First Amendment Seminar; moderator, seminar plenary session, Ohio University, January 13, 1989, Athens, OH.

Exhibit 16

Workshop, 1988 Media and the Law Conference, chairman of session on "*Communicating More Effectively With The Media.*" Panelist for a second session on "*Open Records and The Media.*" July 30, 1988, Columbus, OH.

Debate: Moderator and organizer, "*Press Rights vs Responsibilities*," Ohio Supreme Court Justice Wright and Judge Lawrence Grey of the Fourth District Court of Appeals; sponsored by the Freedom of Information Committee, Cleveland Press Club, March, 1988, Cleveland, OH.

American Press Institute, lecture on legal problems for newspaper copy desks, Reston, VA, October 1987.

Panel: Moderator, "*Future of the Fairness Doctrine*" discussion, sponsored by the Associated Press Broadcasters, October 1987, Columbus, OH.

Debate: "*Ethical Conflicts between Journalists and Politicians*," sponsored by the Case Western Reserve University's Center for Professional Ethics, October 1987, Cleveland, OH.

Workshop: Recent developments in libel law; sponsored by the Ohio Newspaper Association; Sept. 11, Boston Heights; Sept. 18, Columbus, and Sept. 19, 1987, Dayton, OH.

Speech: "*New Developments in Ohio's Open Records Law*," Queen City Chapter of Sigma Delta Chi, Society of Professional Journalists, September 1987, Cincinnati, OH.

Exhibit 16

Freedom of Information Report, APSO annual meeting, Akron, Ohio, June 1987.

Panel: Moderator, "*The Future of Journalism Education*" panel discussion, sponsored by the United Press International Editors' Association, May 1987, Dayton, OH.

Mock Libel Trial, Organizer, Plaintiff's attorney; Press Club of Cleveland, Cleveland, OH, March 1987.

Mock Libel Trial, Organizer, Plaintiff's attorney, APSO annual convention, Columbus, OH, June 1986

Freedom of Information Report, APSO annual meeting, Columbus, Ohio, June 1986.

Speech: "*Editorial Excellence*,"; Ohio Newspaper Association convention, February 1986, Columbus, OH.

Speech: "*The Akron Media Market*,"; Leadership Akron, Feb. 3, 1986, Akron, OH.

Freedom of Information Report, Associated Press Society of Ohio annual meeting, Columbus, 1985.

Exhibit 16

OTHER PROFESSIONAL ACTIVITIES:

Speech: "Newspapers and the First Amendment," delivered to faculty and students at the University of Akron; Oct. 15, 1986, Akron, OH.

Judge: Ohio Newspaper Association's Hooper Awards competition, February 1987.

Judge: Northern Ohio Scholastic Press Association, 1987, '88, '89, '90, '91 & '92

Judge: New England Newspaper Association annual "Best Newspaper of the Year" competition, April 1987, Boston, MA.

Speech: "Techniques of Investigative Reporting," Northern Ohio Scholastic Press Association, April 1987, Kent, OH.

Speech: Developments in Advertising Regulation in the Wake of *Posadas de la Puerto Rico vs. Tourism Company*, Canton Advertising Club; Sept. 20, 1987, Canton, OH.

Speech: *Sex and the 1988 Campaign*, Kent Rotary Club, November 1987, Kent, OH.

Panelist, "Media Coverage of the 1988 Presidential Campaign," sponsored the KSU Student Leadership Board; March, 1988.

Exhibit 16

Speech: "Libel Concerns for High School Journalists," Northern Ohio Scholastic Press Association, April 1988, Kent, OH.

Commentary, Ethical issues in the 1988 Mahoning County prosecutor's race, Channel 27, Youngstown, Oct. 10, 1988.

Commentary, Media law issues, *Open Air Forum*, WRRO-AM, Warren, OH, Oct. 4, 1989.

UNIVERSITY COMMITTEES AND SERVICE:

Member, Ad Hoc University Committee on Campus Speech Policy, October 1994 to May 1995.

Hearing Officer, University Judicial Affairs Office, 1992 - present

Member, All-University Hearing Board, 1994 - present

Member, Student Discrimination and Harassment Policy Review Committee, 1994-95

Chairman, Ad Hoc Self-study Committee, formed to oversee the preparation for a reaccreditation visit in the fall of 1990.

Chairman, Peer Review Committee, established to provide periodic evaluations of faculty teaching, 1989 to present.

Member, Curriculum Committee, School of Journalism and Mass Communication, 1988-89.

Exhibit 16

News-Editorial sequence coordinator, School of Journalism and Mass Communication, 1986-1989.

Chairman, Ad Hoc Graduate Curriculum Committee, formed by Dean Robert Powell of the Graduate College, to create a new, professional degree program for the School of Journalism and Mass Communication, 1986-89.

Adviser, *Daily Kent Stater*, 1988 to present.

Member, Journalism Publication Board, 1987.

Member, Ad Hoc Faculty Committee to explore the creation of a Journalism Publication Board to oversee the *Daily Kent Stater* and the *Burr*, 1986-87.

Member, Ad Hoc Curriculum Committee which created the merged curriculum for the merged program, 1986-87.

Member, Graduate Studies Committee, 1986 to present.

Chairman, Ad Hoc Merger Committee, appointed by Dean Thomas Barber to explore the feasibility of a telecommunications and journalism merger, 1986.

GRANTS:

Teaching/workshop grant, $88,000, U.S. Department of Education, for a six-week summer workshop in journalism for minority students, Summer, 1993.

Exhibit 16

Research grant, $2,500, Ohio State Bar Association to the Ohio Center for Privacy and the First Amendment for a statewide survey of judges, prosecutors and defense lawyers on attitudes towards courtroom photography, June 1991.

Professional development grant, College of Fine and Professional Arts, May 1990, $1,200 to research the *Cohen vs. Cowles Media* lawsuit.

Underwrite the publication of a special section of the Daily Kent Stater devoted to the 20th anniversary of May 4th. $5,000 - KSU Foundation, January 1990.

Grant from Research and Sponsored Programs in the amount of $490, Fall 1989, for use of Lexis database system in training media law students in methods of legal research.

Research University Research Council, September 1989, $490, to pay for media law honors students to research their term papers using the Lexis database in the main library.

Seminar grant, Ohio Newspaper Association, April 1989, $250, to offset cost of a program on reporting legal affairs.

Travel grant, University Research Council, June 1987, $499, to help defray travel expenses incurred as internship coordinator for the School of Journalism, making onsite visits to newspaper interns for an article on how interns are trained.

Exhibit 16

HONORS:

Fellow, Urban Journalism Center, Northwestern University, Chicago, 1969.

Mortar Board, selected for outstanding teaching, 1988.

Fellow, Poynter Institute, *Journalism Fellowship Program in Media Management*, St. Petersburg, FL 1989.

Mortar Board, selected for outstanding teaching, 1989.

PROFESSIONAL AFFILIATIONS:

Member, National Freedom of Information Coalition, 1993 to present.

Trustee, Ohio Coalition for Open Government, 1992 to present.

Member, American Bar Association, 1977 to present.

Member, Forum Committee on Communications Law, American Bar Association, 1986 to present.

Member, Associated Press Managing Editors, 1986 to present.

Member, Association for Education in Journalism and Mass Communication; Newspaper Division (Teaching Standards chairman, 1989-90), Law Division, 1986 to present.

Liaison, American Bar Association, from the Law Division, AEJMC, 1989.

Member, Associated Press Society of Ohio, 1967 to present.

Exhibit 16

Member, Ohio Bar Association; Media Law Committee

Member, Society of Professional Journalists

Member, Editorial Board, Newspaper Research Journal, 1989-present

OTHER PROFESSIONAL/SCHOLARLY ACTIVITIES:

Knight-Ridder Inc., Developmental Training Centers, management

Chairman, Newspaper Division, Association for Education in Journalism and Mass Communication, 1993-94.

Expert Witness:

Newcomb et. al. vs. The Plain Dealer, Case No. 93757, Cuyahoga County Common Pleas Court, 1990.

Murray vs. Pittsburgh Press Co., Case No. GD89-6161, Allegheny County Common Pleas Court, 1989.

Robb vs. Lincoln Publishing Co., Case No. 94 CV 35303, Brown County Common Pleas Court, 1995.

Tyson vs. The Lantern, et. al., Case No. 94-13730, The Ohio Court of Claims, 1995.

White vs. Clinton County Board of Commissioners, Case No. 93CVH228, Clinton County Common Pleas Court, 1994.

Exhibit 16

PROFESSIONAL AFFILIATIONS:

Member, National Freedom of Information Coalition, 1993 to present.

Trustee, Ohio Coalition for Open Government, 1992 to present.

Member, American Bar Association, 1977 to present.

Member, Forum Committee on Communications Law, American Bar Association, 1986 to present.

Member, Associated Press Managing Editors, 1986 to present.

Member, Association for Education in Journalism and Mass Communication; Newspaper Division (Teaching Standards chairman, 1989-90), Law Division, 1986 to present.

Liaison, American Bar Association, from the Law Division, AEJMC, 1989.

Member, Associated Press Society of Ohio, 1967 to present.

Member, Ohio Bar Association; Media Law Committee

Member, Society of Professional Journalists

Member, Editorial Board, Newspaper Research Journal, 1989-present

EXHIBIT 17 — EDGERLY AFFIDAVIT, DATED MARCH 13, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Index No.:
93 CIV 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, DAVID S. WHITFORD, and H. BRUCE FRANKLIN,

Plaintiffs,

– vs. –

NEW YORK TIMES CO., NEWSDAY INC., TIME INC., THE ATLANTIC MONTHLY CO., THE MEAD CORPORATION, and UNIVERSITY MICROFILMS INC.

Defendants.

AFFIDAVIT OF LINDA EDGERLY

State of New York :
: SS
County of New York :

Linda Edgerly, being duly sworn, deposes and says:

I have previously provided the plaintiffs in Tasini with a report for their use in accordance with Rule 26(a)(2)(C) of

the Federal Rules of Civil Procedure, setting forth the basis for my opinion that NEXIS' electronic on-line information services and University Microfilm, Inc.'s text-only CD-ROM products are not "archives," but "databases." I now reaffirm the opinion I expressed in that report in affidavit form.

OPINION AND BASIS FOR OPINION

The following statements and opinions are based on my experience over a period of 24 years in the field of archives and documentation management, as well as on: (a) information gained through continuing education opportunities in my profession; (b) reading current professional literature; (c) extensive and current activity in professional organizations serving those engaged in archives management; and (d) review of Rule 26 expert reports submitted on behalf of the defendants and other documents related to this case.

I have not previously served as an expert witness. For my report and testimony I will be compensated at a rate of $150 per hour.

I am a consulting archivist and Director of the Information & Archival Services Division of The Winthrop Group, Inc., a consulting firm headquartered in Cambridge, Massachusetts. My work as a consultant began in 1979, subsequent to experience in a state archives, a University-based oral history archives, one private family/fiduciary business archives, and two corporate archives. Since 1979 I have worked with over 100 corporations and non-profit institutions and organizations as well as private archival

collections. Currently I supervise a staff of 11 consultants and project archivists working on evaluations, archival program initiatives, various aspects of implementation, records retention scheduling and special research and publication support projects, etc. My clients and publications are detailed in my resume. I have been an active member of the Society of American Archivists (SAA) since 1973. I have served in various capacities for SAA and am a Fellow of the Society. Also, I am a long-time member of the Mid-Atlantic Regional Archives Conference, the Archivists Roundtable of Metropolitan New York, and the Northwest Archivists. I am certified by the Academy of Certified Archivists (ACA).

The work of an archivist has been defined in the professional literature, including in the standard reference utilized by archivists, A Glossary for Archivists, Manuscript Creators, and Records Managers (Chicago: The Society of American Archivists, 1992)[1], as follows: The archivist is "a person professionally educated, trained, experienced, and engaged in the administration of archival materials, including the following activities: appraisal and disposition, acquisition, preservation, arrangement and description, reference service, and out-reach. In the United States, the term also frequently is used to refer to a manuscript curator." [Lewis J. Bellardo and Lynn Lady Bellardo — compilers, A Glossary for Archivists, Manuscript Curators, and Records Managers (Chicago: The Society of American Archivists,

1. This source is considered a reliable standard in the profession because of the experience and credentials of its compilers, the high quality of their research, and the fact that the editorial review process of SAA, helps to ensure the accuracy and viability of works the society publishers.

1992), pp. 3-4.] While archivists generally are charged with management of primary source materials, they frequently have responsibility for secondary sources relating to or in some way supporting the materials and information in the archival collections.

Although I am not a search expert, I am generally familiar with databases such as NEXIS, having commissioned data searches for research related to my work.

I have reviewed the Rule 26 reports submitted by Ralph Oman, Harold W. Fuson, Jr., and Alan J. Hartnick. I address my report to two issues raised by these experts: (a) the description of NEXIS and of CD-ROM products derived from or based on NEXIS as "digital archives" or as material distributed to "archival markets"; and (b) the contention that NEXIS or CD-ROM products derived from or based on NEXIS are "replicative formats" that are "similar to microform."

Harold W. Fuson, Jr., in his report, refers to the NEXIS database and to CD-ROM derivatives or knock-offs of that database as "digital archives." He suggests that through these vehicles newspaper publishers "publish and distribute editions of their newspaper to archival markets such as libraries and researchers." Contrary to Mr. Fuson's assertions, the NEXIS database and the CD-ROM format of that database are not archives and cannot legitimately be said to be distributed to "archival markets." Though the term "archives" is sometimes used in the electronic environment to refer to electronically stored raw data, the NEXIS database and the CD-ROM format of the database, in fact, meet none of the criteria of a true archives.

Exhibit 17

Archivists employ optical (e.g., microfilm or microfiche), magnetic, and sometimes electronic technologies to store documentary material or information. They do so in order either to preserve the information and/or images that are contained in documents and records and/or to reduce the wear and tear on originals. They do so in many instances because the original documents made use of ephemeral (e.g., high acid papers) or volatile media (e.g., nitrate film) which either would deteriorate to a point at which it could no longer be used or would disintegrate altogether. If records are electronic in format, they are sometimes retained electronically if their integrity can be preserved. Archivists do not employ these technologies in order to manipulate the original information within original archival material (i.e., primary sources) or to create new informational products from primary or secondary sources. Indeed, archivists are charged under the "Code of Ethics for Archivists" with ensuring the physical and intellectual integrity of materials in their collections. Alterations in physical formats are usually confined to those necessary for preservation or distribution of the actual image of a document.

The fact *per se* that material is stored or preserved by means of optical, magnetic or electronic technologies does not imply that the material is part of an archives. Archives are defined as follows: "1. The documents [or records regardless of format or medium] created or received and accumulated by a person or organization in the course of the conduct of affairs, and preserved because of their continuing value. Historically, the term referred more narrowly to the noncurrent records of an organization or institution preserved because of their continuing value. 2. The building or part of a building where archival materials are located; also referred

to as an archival repository. 3. The agency or program responsible for selecting, acquiring, preserving, and making available archival materials; also referred to as an archival agency, archival institution, or archival program." [Lewis J. Bellardo and Lynn Lady Bellardo — compilers, A Glossary for Archivists, Manuscript Curators, and Records Managers (Chicago: The Society of American Archivists, 1992), p. 3.]

An archives preserves primary source records generated in the course of business or as a means of carrying out activities. Though archives might include some secondary source materials that pertain to the archival records, such as, for example, a newspaper clipping that is part of a collection of letters or papers, archives do not make a business of collecting secondary source material.

The National Archives, for example, includes documents considered appropriate for preservation by the federal government as evidence of its organization, functions, policies, decisions, procedures and transactions. Permanent records or archival records of the federal government are those appraised as having sufficient historical or other enduring value to warrant continued preservation beyond the time they are needed for administrative, legal or fiscal purposes. A database allowing access to selected published records, or even archival records, of the federal government, however, would be described as a catalog or finding aid, not an archives, unless an image of the original document is visible on a computer screen.[2]

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2. The mere fact alone, however, that an image of the original document is visible on the computer screen, does not necessarily make it an archives.

Exhibit 17

The definition of "database" utilized most commonly in education and literature within the archival profession is "Data organized and stored so that it can be manipulated or extracted to meet various applications but managed independently of them." [Lewis J. Bellardo and Lynn Lady Bellardo — compilers, A Glossary for Archivists, Manuscript Curators, and Records Managers (Chicago: The Society of American Archivists, 1992), p. 9.]

An archives is not something created in and of itself for commercial purposes. Nor is archived material manipulated, processed or altered in order to create a new information product. NEXIS and CD-ROM products derived from or organized in the same fashion as NEXIS, permit reorganization and selection of data, including articles previously published in periodicals, for a commercial purpose. Material prepared for inclusion in the NEXIS database is not selected or formatted for NEXIS for purposes of historic preservation, but in order to respond to different commercial purposes not related to original publication for a readership.

Messrs. Oman's, Fuson's and Hartnick's attempts to equate the inclusion of material from print publications in a NEXIS database or text-only CD-ROM product with preservation initiatives which replicate the original form, feel, and contents of publications on microfilm and microfiche are not tenable. Indeed, each of their attempts to equate them, including the following examples, must be rejected.

In his Rule 26 Report, Ralph Oman states: "In the years preceding the 1976 Copyright Act, newspaper and magazine

publishers also made Congress aware that computer databases and technological developments would allow the reproduction and storage of newspapers and magazines in electronic formats similar to microform." He also refers to "replicative formats such as microform, electronic databases (e.g., NEXIS), CD-ROM and others. . . ."

In his Rule 26 Report, Harold W. Fuson, Jr., alleges that newspapers have been preserved in a variety of forms and formats, including bound volumes, microfilm and microfiche editions, and equates these preservation formats with publication "in digital formats for distribution on-line," as well as with publication and distribution "in magnetic and optical media, such as CD-ROMs."

In his Rule 26 Report, Alan J. Hartnick refers to the rights he says the magazine industry has relied on to allow magazines to publish and distribute issues in microfilm and microfiche formats. He says further that since the early 1980s, the industry also has relied on such rights to include the text of magazines as part of databases such as NEXIS, and more recently, to permit publication of back issues of magazines in CD-ROM formats.

These experts are fundamentally mistaken when they equate the replicative formats of microfiche and microfilm with the non-replicative formats of the on-line NEXIS database and the database in CD-ROM format. Microfilm and microfiche are optical images in which the visual image of the document as it appeared originally is stored and reproduced, albeit often without color. The resulting image is one generation away from, but preserves the appearance of, the original.

Exhibit 17

Though digital and other technologies can be replicative — CD-ROM and optical disks, for example, can store both images and text — the text-only CD-ROM edition of the database, in common with the on-line NEXIS database, neither reproduces nor preserves the back issues of a publication in its original form. Rather, it provides selected information from the original material for commercial dissemination and distribution, republishing the altered material in a different format and venue. The procedures that are employed to transform an article that appeared in print as part of a newspaper or magazine into an isolated electronic file often edited, devoid of graphics and illustrations, and coded so that it can be retrieved by topic, theme or key words are not appropriate to the creation of an archives of the periodical as a whole. They are designed to create a commercially marketable product, i.e., a text-based and text only database that is searchable in a great number of ways.

In the case of secondary sources, such as newspapers and magazines, much of the value of the publisher's work lies in the assemblage of the whole. This point was made very clearly by Anne P. Mintz in her authoritative article on electronic full-text sources in the October 1993 edition of Database, "Availability of Electronic Full-Text Sources: A Look Behind the Scenes." As she noted there, "[p]ublishers and editors spend a great deal of time and money visually arranging the copy of a text, whether a book or a journal article. In many cases the layout is actually part of the editorial content — a revealing chart, photograph, or even an unusual page layout will have informational or entertainment value." Preservation of that "arrangement" or "layout" intact, as it originally appeared serves the archivist's

goal and can be achieved only using microform electronic imaging or other technology that similarly replicates the look and the feel of the whole work.

By contrast, articles prepared for and placed in an on-line database or CD-ROM version of a database are not there as part of the "back issue" (archival copy) of the periodical. In fact, the "back issue" does not appear in the database as it would in microfilm or microfiche or in an electronically scanned image of the whole. Even in "cover-to-cover" or "full-text" offerings in NEXIS, the original publication from which material has been selected is *not* replicated.

It follows from this fact that the phrase "cover-to-cover" in the on-line world is not to be misinterpreted as being "archival." Archival copies of periodicals would include display and classified advertisements, stock quotations, filler material, announcements, meeting calendars, indexes, legal notices, photographs, complete graphs and charts and illustrations. This has not been true of on-line databases, which until only recently, and even now generally, eliminate these materials. The archival copy of the periodical also would include editorials, obituaries, short articles, tables, correction notices, reviews, wire service stories and syndicated columns, elements which are only sometimes present in on-line databases. [Ruth M. Orenstein, " 'How Full is Full' Revisited: a Status Report on Searching Full-Text Periodicals," Full Text Sources On-line, (Needham, Mass.: Bibliodata), January 1993]

Historical preservation is not one of the factors that guides the selection of material for placement in the NEXIS database.

Exhibit 17

In conclusion, the NEXIS database and the database on CD-ROM are not archives, nor are they similar to microform or other visual formats which replicate and preserve the historical record. They represent a different product, serve a different market and produce for a different venue the secondary source material that originally appeared in print periodicals.

Dated: March 13, 1996
New York, New York

s/ Linda Edgerly
Linda Edgerly

Sworn to on this
13th day of March 1996

s/ Jennifer Blinn
Notary Public

Jennifer Blinn
Notary Public for State of New York
No. [illegible]
Qualified in New York County
Commission Expires January 3, 1998

EXHIBIT 22 — RESPONSES AND OBJECTIONS TO REQUESTS TO ADMIT ADDRESSED TO DEFENDANTS NEWSDAY, INC. AND LEXIS/NEXIS, pp. 7, 23

[7] * * *

13. Please admit that when an article that originally appeared in Newsday is received from an on-line service such as NEXIS, other articles and graphic elements that appeared together with the article in the newspaper are missing.

Response: Newsday and LEXIS/NEXIS object to Request 13 on the grounds that the phrase "graphic elements" is ambiguous and subject to misinterpretation. Newsday and LEXIS/NEXIS admit that it is possible for an end user to retrieve an article from NEXIS without also retrieving other articles which appeared together with the retrieved article in the print edition of a publication. Request 13 otherwise is denied.

[23] * * *

71. Please admit that the NEXIS program allows customers to access, browse, down-load or print out articles related to a specific topic from a variety of different newspapers and other sources in a single search.

Response: Newsday and LEXIS/NEXIS object to Request 71 on the grounds that the term "NEXIS program" is ambiguous and subject to misinterpretation. Newsday and LEXIS/NEXIS admit that it is possible to use the NEXIS service in ways that, among other things, permit customers

to access, browse, down-load or print out articles related to a specific topic from different newspapers and other sources in a single search. Request 71 otherwise is denied.

* * * *

EXHIBIT 23 — RESPONSES AND OBJECTIONS TO REQUESTS TO ADMIT ADDRESSED TO DEFENDANTS TIME AND LEXIS/NEXIS, pp. 18-19

[18] * * *

55. Please admit that these TTI's are inserted and/or embedded in the electronic text of an article in order to facilitate the location and retrieval of the article by a NEXIS user.

Response: LEXIS/NEXIS admits that, without altering the text of an article in any way, it links TTI terms to certain articles in order to facilitate the location and retrieval of those articles by NEXIS users.

[19] * * *

57. By the same token, please admit that the NEXIS user will not retrieve copies of the complete periodicals or indeed even of other articles that were physically contiguous to the articles that have been retrieved.

Response: Time Inc. and LEXIS/NEXIS object to Request 57 on the grounds that the Request is unclear, ambiguous and subject to misinterpretation. LEXIS/NEXIS admits that it is possible for a NEXIS subscriber to retrieve one article from a particular issue of a periodical without retrieving other articles from that same issue. Time Inc. and LEXIS/NEXIS otherwise deny Request 57.

* * * *

EXHIBIT 31 — RULE 30(b)(6) DEPOSITION OF PATRICK M. GUIANT, DATED APRIL 13, 1995, pp. 1, 53-56, 80-81

[1] * * *

April 13, 1995 11:00 a.m. Deposition of PATRICK M. GUIANT, held at The Law Offices of Emily Bass, Esq., 330 Madison Avenue, New York, New York, pursuant to Notice before Sheril Feldman, a Notary Public of the State of New York.

* * *

[53] **Q.** How are the results of a user's search displayed on a terminal screen?

A. There is, they put in if they are doing Boolean logic, they put in the Boolean search. They run the search. Basically, it repeats what they put in. It puts a number to the side of it that says how many occurrences on that CD they found of that Boolean search.

Q. Do the number of occurrences equate with articles in which the keywords have appeared?

A. Correct.

Q. Once the number of occurrences is displayed on the screen, does the user have options as to how he or she wishes to display the material?

A. No.

Q. Then how is the material displayed?

A. They would highlight the thing with the number, hit the enter key on the computer and it would sequentially display in reversed chronological order all of the articles that were referenced in that number.

Q. Does it first display a list of [54] citations?

A. Not complete citations. There is a — the list that it would give you would basically be the date and the article name, the name of the article and, I believe, the author.

It is all the electronic envelope information. As much as would be practical would be displayed on the screen, and that is in a list form.

Q. And you believe that each item on the list contains the date, the name of the article and the author?

A. I believe so.

Q. Any additional information, to the best of your recollection?

A. Not to best of my recollection.

Q. Is each individual article assigned a number on the list?

Exhibit 31

A. No, but it is in reserve chronological order.

Q. Can the user select one article from the list to display?

A. Yes.

Q. So the user does have an option to [55] display less than all the articles sequentially; is that correct?

A. They don't have the option to display less than all of the articles, but they can highlight an individual one on the list, which would be five or six on the screen, and they could go to that article. And then the articles are sequential. They have to scroll down or they have to return to the list, pick another one off the list.

So if you have four articles on the list, and let's call them, for example, let's call them A, B, C and D, and say what you were searching for was an author by the name of Will, and articles in The New York Times that were done by an author by the name of Will and you weren't very specific, one would say Will Rogers, perhaps, and one would say, Jonathan Will.

Of if you knew that you didn't want Will Rogers, you could highlight Jonathan Will and it would show you that article. But if that was article B and you now wanted to see article D, you would have to go back to the list and pick article D because if you just keep scrolling down [56] on the computer, you would see it in the sequence of how it was presented on the screen.

Exhibit 31

Q. Let me go back and see if I understand.

Once the list of citations is displayed, the user can select a particular article that he wishes to display; is that correct?

A. Correct.

Q. Does he then have two options, one, to continue scrolling down the screen and see the subsequent articles sequentially, or, two, to return to the list and select a different article?

A. Correct.

* * *

[80] * * *

Q. Is there a search option on the full-text New York Times CD-ROM that would enable a user to bring up an entire issue of The New York Times?

MR. KELLER: Objection to form.

A. I don't quite understand what you are asking.

Q. You testified earlier, I believe, that there are two search options that a user — they either can do a Boolean search or do a topical search.

A. Correct.

Exhibit 31

MR. KELLER: Are you asking if there [81] is an issue of CD-ROM which contains back issues of The New York Times for any certain period by entering the date search, or some other command, to retrieve the full text of a day's issue of The New York Times?

MS. BASS: I will agree to start with that question.

A. Yes, they can.

Q. How would they do that?

A. Through a date search, and it will pull up all of the articles' text for that particular day.

Q. Would the screen show that there was one occurrence of the item searched for or more than one occurrence?

A. The screen would show that there is, if you will, multiple occurrences because it is measured in how many times it hit in each one of those articles, it hit those envelopes on the outside. So the system would count the number of envelopes.

Q. So the number of hits would correspond to the number of articles in that particular issue bearing that date?

[82] **A.** That's on that CD-ROM, correct.

Q. Correct?

A. Correct.

* * * *

EXHIBIT 33 — RULE 30(b)(6) DEPOSITION OF JAMES E. PATTERSON, DATED APRIL 6, 1995, pp. 1, 3-4, 18-19, 57

Deposition of JAMES E. PATTERSON, held at The Law Offices of Emily Bass, Esq., 330 Madison Avenue, New York, New York, pursuant to Notice, before Sheril Feldman, a Notary Public of the State of New York.

[3] * * *

State your full name and address for the record.

A. James E. Patterson, 78 Ridgedale Avenue, Madison, New Jersey 11566.

Q. By whom are you employed?

A. New York Times.

Q. In what capacity?

A. I am the vice president of business information services within The New York Times Service Group.

Q. What are your duties in that capacity?

A. Primarily to look after the creation [4] and the marketing, distribution and so on of electronic New York Times-based services that are aimed at the institutional market, in general, businesses and other organizations.

* * *

Exhibit 33

[18] * * *

Once having been input into the system, using whatever means are used for that, articles are stored as text files on the system.

Functionally, the system can be thought of as a large-scale multi-user word processing system, in a real sense, to which a [19] device is attached, that is able to produce hard copy with the requested format, typefaces, et cetera, which is what is done.

The hard copy is then laid out manually, which is the composing room process, and it is from that layout that the page is created.

Q. The paper is laid out manually, did you say?

A. Yes.

* * *

[57] * * *

What happens is that a, the text files that originate on the ATEX system and that make their way through the processes that I have described to NEXUS are output by the ATEX system to a typesetter, or a very elaborate printer, that generates the necessary formats and so on that go into the makeup of a page.

The nontext elements of the page, which originate elsewhere from the ATEX system, are then added to that

page manually, and the page itself is at some point then completed, and it is scanned by a very elaborate machine that is functionally something like a copying machine. And it is transformed into its digital equipment, bits and bites and so forth, and transmitted to a printing site.

In a nutshell, that's kind of a high-level view of how that process works.

* * * *

EXHIBIT 34 — RULE 30(b)(6) DEPOSITION OF RICHARD PETROSINO, DATED APRIL 14, 1995, pp. 1, 126-130, 132

[1] * * *

April 14, 1995 9:05 a.m.

Deposition of RICHARD PETROSINO, held at The Law Offices of Emily Bass, Esq., 330 Madison Avenue, New York, New York, pursuant to Notice, before Sheril Feldman, a Notary Public of the State of New York.

[126] * * *

Q. Let us assume for a moment that a customer sits down at his or her PC and requests that a search be conducted on NEXIS for the keywords Atlantic salmon, can you tell us how the results of that search will be displayed on the customer's screen?

A. Again, it will be displayed however the customer chooses to have it displayed.

Q. Will the customer be informed in the first instance of how many documents in which those keywords appear?

A. Yes.

Q. Once that number is displayed, the customer is given the option of choosing one of these display formats; is that correct?

[127] **A.** Yes.

Exhibit 34

Q. If the customer selects the site format, then only the various segments that you listed before will appear on the screen, correct?

A. Yes.

Q. Let us assume for the moment that seven documents have been found searching magazines and newspapers containing the keywords Atlantic salmon. Once the customer selects the site format, the citation to those seven documents will appear on the screen, correct?

MS. MARKOFF: Objection to form.

Q. Then let me try to rephrase the question.

If there have been seven hits, and I believe that's the word that a previous witness has used, when the customer selects site format, those seven hits will appear on the screen, correct?

A. Yes.

Q. Each of those hits corresponds to an article in some newspaper or magazine, correct?

A. Yes.

Q. Let us assume that one article is in [128] Newsday, one article is in Sports Illustrated, one article is in The Washington Post, one article is in The Atlantic Constitution.

If the customer decides that they wish to read the Atlantic Constitution article, can they go to that citation on the screen and click on that individual citation?

Exhibit 34

A. I don't know.

* * *

[129] * * *

Q. Let's go back for a moment.

I thought that when the customer did a search for Atlantic salmon and seven hits were recorded by NEXIS, each of those hits corresponded with an article in some newspaper or magazine, correct?

A. Yes.

Q. The customer then, you said, could select one out of the seven to display in full, correct?

A. Yes.

Q. When the customer selects The Atlantic Constitution site to then display in full format, [130] I was asking what would be displayed on the screen. You said, I believe, that the —

A. Full article.

Q. You said the full article plus the headline and byline and copyright and other initial segments; is that correct?

A. Yes.

Q. Will the entire issue of The Atlantic Constitution in which that articles appeared be displayed on the screen?

A. No.

Exhibit 34

Q. Once the customer displayed that article on the screen, can they then download that to their computer?

A. Yes.

Q. Can they print it out on their local printer?

A. Yes.

Q. Could the customer, given the search and search results we have just been discussing, download a copy of the entire issue of The Atlantic Constitution in which that article appeared?

A. No.

* * *

[132] * * *

Q. Is there any way that a customer can bring up an entire issue of The Atlantic Constitution as one hit or is an entire issue of The Atlantic Constitution going to come up as, let's say, 81 hits, corresponding to the 81 articles in the individual issue?

A. You have two questions there in the second half, and yes.

Q. Yes, what?

A. They will come up as separate hits.

Q. They will come up as separate hits corresponding to the separate articles in the one issue, correct?

A. Yes.

* * * *

EXHIBIT 35 — RULE 30(b)(6) DEPOSITION OF MARY ANNE SKINNER, DATED APRIL 6, 1995, pp. 1, 35-36, 38, 60-61, 63-65, 67

Deposition of MARY ANNE SKINNER, held at The Law Offices of Emily Bass, Esq., 330 Madison Avenue, New York, New York, pursuant to Notice, before Sheril Feldman, a Notary Public of the State of New York.

* * *

[35] Q. When the files arrive in ASCII at the library, have they already been through the composing room?

A. No. It is a copy of what goes to the composing room.

Q. It is a copy of what comes out of the layout department? One copy of what comes out of the layout department is sent to your department and one copy is sent to the composing room?

A. Yes.

* * *

[36] Q. The composing room then gets graphics from the art department and merges those graphics with the text that it has received from the layout department; is that correct?

A. Yes.

* * *

Exhibit 35

[38] * * *

Q. Do the files that you receive in your cue have any type of typesetting instructions in them?

A. No.

* * *

[60] * * *

A. A copy of each story goes from the layout system to the composing room and a copy goes to the library cue.

The composing room merges the text and the graphic elements, then films it. It goes to plate and is printed.

* * *

[61] * * *

Q. You're saying that the same version that goes to composing from layout goes to the library system; is that correct?

A. Yes.

* * *

[63] * * *

Once all the day's stories are together on the ATEX system, files are then loaded onto the VAX system?

Exhibit 35

A. Actually, no. As somebody in the library finishes working on a story, it is copied over into the VAX system. It is not necessarily a batch.

* * *

[64] * * *

Q. So it is kind of a continuous process. Somebody in your department works on an individual file on the ATEX system, finishes encoding it, the spooling function takes over and that file is transferred over to the VAX system?

A. It is transmitted to the VAX system.

Q. Transmitted to the VAX system?

A. Yes.

Q. When that file is fed to the VAX system, is it added to what you referred to as the electronic library or on the VAX system?

A. Yes, that's done as a batch.

Q. That's done as a batch?

A. Yes.

Q. So when files are fed to the VAX system, they are stored somewhere on the VAX [65] system until all of the day's stories are on the VAX system and then what you have referred to as the electronic library is updated?

Exhibit 35

A. Yes.

Q. At what point in this process does the VAX system transmit the day's data to Mead?

A. 2 a.m.

* * *

[67] * * *

A. And so the program, it is an automatic program that sends it to Mead.

* * * *

EXHIBIT 40 — EXCERPT FROM MEAD-NEWSDAY CONTRACT (M003717), ¶ XIV

XIV. NO AGENCY

Nothing in this Agreement shall be construed to constitute or appoint either party as the agent or representative of the other party for any purpose whatsoever, or to grant to either party any right or authority to assume or create any obligation or responsibility, express or implied, for or on behalf of or in the name of the other, or to bind the other in any way or manner whatsoever.

EXHIBIT 41 — EXCERPT FROM MEAD-TIME INC. CONTRACT (T000017), ¶ XIII

XIII. NO AGENCY

Nothing in this Agreement shall be construed to constitute or appoint either party as the agent or representative of the other party for any purpose whatsoever, or to grant to either party any right or authority to assume or create any obligation or responsibility, express or implied, for or on behalf of or in the name of the other, or to bind the other in any way or manner whatsoever.

EXHIBIT 49 — DESCRIPTION OF NEWSDAY OFFERINGS ON NEXIS FILE (M002018-M002019); CONTENTS OF NEXIS (M003166-M003169, M003171-M003184; LEXIS/NEXIS PROMOTIONAL MATERIALS (M003220)

M002018

Newsday
NEWSDY

CONTENT SUMMARY:
Newsday, the sixth largest daily newspaper, is known for its extensive Newsday focus on national issues, however, frequently feature stories provide coverage ranging from banking and financial services, key executive appointments, real estate, and technology trends. Newsday offers a variety of daily theme sections including Business, Sports, Food, Home, Real Estate, Discovery and Viewpoint. In addition, feature columns are provided by three Pulitzer prize winners.

FILE OVERVIEW:	
LIBRARY NAME(S):	NEXIS
FILE NAME:	NEWSDY
NEXIS GROUP FILES(S):	OMNI;CURRNT;ARCHIV; MAJPAP;PAPERS; NEAST;NEWS
PUBLICATION TYPE:	Newspaper
AVAILABILITY:	Usually within 24-48 hours of publication date
FREQUENCY:	Daily, Monday – Sunday
COVERAGE:	From January 2, 1988

Exhibit 49

PUBLISHER:
Newsday, Inc.
235 Pinelawn Road
Melville, NY 11747

SPECIAL EXCLUSIONS: Advertisements, legal notices, weather forecasts, selected syndicated materials and freelance materials, sports polls, rosters, sports statistics, sports schedules, racing picks, charts, bets, money-rate tables

SAMPLE DOCUMENT: SEGMENTS:

Copyright 1992 Newsday, Inc. Newsday	PUBLICATION
July 1, 1992, Wednesday, NASSAU AND SUFFOLK EDITION	DATE
SECTION: SPORTS; WIMBLEDON; Pg. 150 Other Editions City Pg. 1239	SECTION
LENGTH: 678 words	LENGTH
HEADLINE: The King of England; Underdog Kac gains popularity	HEADLINE
BYLINE: By Pat Calabris, STAFF CORRESPONDENT	BYLINE
DATELINE: Wimbledon	DATELINE

Exhibit 49

KEYWORD:
TENNIS; WIMBLEDON;
JOHN MCENROE

KEYWORD

BODY:

BODY

This is the place where he spat out the famous line, "You are the pits of the world," to an umpire, where he was once spurned for automatic membership in the All England Club, and where his tossed rackets often fell like raindrops. So now John McEnroe serves as the best example that times do change.

He used to be "Mac the Knife" or "McBrat" in the newspapers — and worse in the whispered breath of Wimbledon officials. He was a favorite target of the spectators provoked to unbottle their restraint.

And these days, the fans applaud wildly and the headlines have been happily repeating the pun, "That Old Mac Magic" all week.

"I feel like over the years the crowd's reaction has gotten a lot better, . . .

4-N17

June 1992

Exhibit 49

M002019

SEGMENT DESCRIPTIONS

BODY	*body(XXXX W/10 YYY)* That part of a document which follows the LEAD
CORRECTION:	*correction(XXXX)* The text of a published correction.
BYLINE:	*byline(XXXX)* Person(s) identified as the author/reporter
CORRECTION -DATE:	*correction-date = 1991* The date when a correction was added to a story.
DATE:	*date = 1992* Arithmetically searchable and sortable.
DATELINE:	*dateline(XXXX)* Location of the story or where it was filed.
GRAPHIC:	*graphic(XXXX)* The type of graphic accompanying the document.

Exhibit 49

HEADLINE:	*headline(XXXX)* Not every document in this file has a headline.
HLEAD	*Head(XXXX and YYYY)* Group segment of LEAD and HEADLINE
KEYWORD	*keyword(XXXX)* An index term added to the document by the information provider
LEAD	*lead(XXXX)* Approximately the first 50 words in a document.
LENGTH:	*length > 100* Automatically searchable and sortable.
PUBLICATION	*publication(XXXX)* The name of the publication.
SECTION	*section(XXXX)* Sections frequently in this publication are listed at SPECIAL CHARACTERISTICS
SERIES:	*series(XXXX)* Name or number of a series including the document

Exhibit 49

SPECIAL CHARACTERISTICS

The following briefly describes a sampling of some major SECTIONS in Newsday.

AT HOME — Covers materials published in the At Home section.

BUSINESS — Includes all business and financial materials published in the business sections as well as other parts of the paper.

CITY LIVING — Provides information on home improvements, gardening, apartment living and other items.

HOLIDAY ALMANAC — Appears around the Christmas season as a special section.

NEWS — Includes all general news stories from all editions.

SPORTS — Includes all sports stories seven days a week.

VIEWPOINT — Contains opinion pieces and letters from readers and editorial staff.

DATE SEGMENT:
The date segment will contain the date of publication and the edition. Although the primary editions in the NEWSDY file are the Nassau and Suffolk Country editions, the following is a complete list of possible editions:

Exhibit 49

BROOKLYN (NYC REGIONAL)
BROOKHAVEN (SUFFOLK REGIONAL)
CITY
CITY HOME
EAST END (SUFFOLK REGIONAL)
HOME
MANHATTAN (NYC REGIONAL)
NASSAU
NASSAU AND CITY
NASSAU AND HOME
QUEENS (NYC REGIONAL)
SUFFOLK
SUFFOLK HOME
SUFFOLK AND CITY
NORTH SHORE (SUFFOLK REGIONAL)
SOUTH SHORE (SUFFOLK REGIONAL)

Contents of NEXIS

M003166

ALPHABETICAL LIST 1

Title	Library Name	File Name	Coverage From
A			
A.G. Edwards & Sons, Inc.	COMPNY INVEST	AGE	11/88
ABA Banking Journal	BANKS NEXIS	ABABJ	1/80
ABC News Transcripts	NEXIS	ABCNEW	1/90
Abortion Background News***	BACKGR	ABORT	Current
Accounting literature – current and superseded	BANKNG	LIT	1934
	BANKING	SLIT	
	BKRTCY	LIT	
	BRKTCY	SLIT	
	FEDTAX	ALL	
	GENFED	ALL	
	NAARS	LIT	

Exhibit 49

Exhibit 49

	NAARS	SLIT	
	STTAX	ALL	
	TRADE	ALL	
Accreditation Manual for Hospitals	HEALTH	AMH	1989
Advanced Manufacturing Technology	NEXIS PATENT	ADMANF	1/82
Advanced Military Computing*	CMPCOM NEXIS	ADVMIL	1/90
Advanced Recovery Week	ENRGY NEXIS	ADVRW	1/90
Advantage*	NEXIS	ADV	1/85
Advertising Age®	FEDCOM MARKET	ADAGE	1/86
Advest, Inc.	NEXIS COMPNY INVEST	ADV	5/84
ADWEEK	MARKET NEXIS	ADWEEK	1/84
Aerospace America	MILTRY	AEROAM	1/84

	NEXIS		
Aerospace Daily®	NEXIS TRAN TRANS	AIRDLY	1/89
Alrica News	INTNEW NEXIS	AFRNWS	1/90
AIDS Background News***	BACKGR	AIDS	Current
Al Expert	CMPCOM NEXIS	AIEXPT	1/89
Airplane Crash Background News***	BACKGR	AIR	Current
Air Force Magazine	NEXIS	AIRFOR	1/90
Air Transport World*	NEXIS TRAN TRANS	AIRWLD	1/83
Airports®	NEXIS PATENT TRAN TRANS	AIRPTS	1/89
Alabama bill tracking	LEGIS	ALTRCK	1/90
Alabama Legislation (Slip laws)	LEGIS	ALALS	1989

Alaska bill tracking	LEGIS	AKTRCK	1/90
Alaska Legislation (Slip laws)	LEGIS	AKALS	1989
Alaska Business Monthly*	NEXIS	ABM	1/86
Alaska Journal of Commerce*	NEXIS	AJC	2/85
ALERT+			
– Archive	ALERT	ARCHIV	Last 3 weeks
– Update	ALERT	ALERT	Current
Alex Brown & Sons	COMPNY INVEST	AB	1/84
Algemene Bank Nederland N.V.	COMPNY INVEST	ABN	4/83
Algeria Country Reports***	REPORT	ALGER	1/87
Almanac of American Politics, The	EXEC LEGIS PEOPLE	AMPOL	1988
Altman Brenner & Wasserman Inc.	COMPNY INVEST	ABW	6/90
American Banker	BANKS INTNEW	AMBANK	1/79

	NEXIS		
American Family Physician	GENMED	AFP	1/82 to 3/87
American Federationist*	NEXIS	AFLCIO	3/84
American Forests*	NEXIS	AMFOR	1/90
American Hospital Formulary Service Drug Information 1987, The	GENMED	AHFS	1987
American Journal of Diseases of Children	GENMED	AJDC	1/82
American Journal of Psychiatry	GENMED	AJP	1/85 to 3/87
American Lawyer, The	GENFED LEGNEW NEXIS	AMLAWR	1/87
American Libraries*	NEXIS	AMERLB	1/83
American Papermaker (Pacific Edition)	NEXIS	AMPAPR	7/90
American Salesman*	MARKET NEXIS	AMSALE	1/90
Annals of Neurology	GENMED	ANN	1/84

			to 3/87
Annals of Plastic Surgery	GENMED	ANPS	1/84
Annual Reports-Corporate (ACPA)	NAARS	87	to 3/87
		86	7/83
		85	
		84	
		83	
Annual Reports-Government (ACPA)	NAARS	G86	7/86
			to 6/87
		G85	6/85
Annual Reports to Shareholders – SEC Filings	COMPNY	ARS	to 12/86 7/87
Antitrust & Trade Regulation Report	EXEC NEXIS	TRADRG	1/82
Archives of Dermatology	GENMED	ARD	1/82
Archives of General Psychiatry	GENMED	ARGP	1/82
Archives of Internal Medicine	GENMED	ARIM	1/82
Archives of Neurology	GENMED	ARN	1/82

Archives of Ophthalmology	GENMED	AROP	1/82
Archives of Otolaryngology	GENMED	AROT	1/82
Archives of Pathology & Laboratory Medicine	GENMED	ARP	1/82
Archives of Surgery	GENMED	ARS	1/82
Argentina Country Reports***	REPORT	ARGEN	1/87
Arizona Bill Tracking	LEGIS	AZTRCK	1/89
Arizona Legislation (Slip laws)	LEGIS	AZALS	1990

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ALPHABETICAL LIST 2

Title	Library Name	File Name	Coverage From
Arizona Business Gazette*	NEXIS	ARIZ	1/86
Arizona Republic, The*	NEXIS	ARZREP	1/90
Arizona Trend*	NEXIS	AZTR	1/86
Arkansas Bill Tracking	LEGIS	ARTRCK	1/91
Arkansas Legislation (Slip laws)	LEGIS	ARALS	1989
Arkansas Business*	NEXIS	ARK	4/87
Asahi News Service	INTNEW NEXIS	ASAHI	8/84
Asia Pacific Business*	INTNEW NEXIS	ASIA	6/86
Asian Wall Street Journal	INTNEW	AWS	4/89

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Weekly** (abstracts)	NEXIS		
Associated Banks of Europe Corporation	INTNEW EUROPE	ABECOR	3/82
Associated Press, The			
– Campaign News	CMPGN	CAMPGN	11/80
– Candidate Biographies	APOLIT CAMPGN NEXIS PEOPLE	APBIO	1982
– News	NEXIS	AP	1/77
Atlanta Business Chronicle*	NEXIS	ABC	1/85
Atlantic, The*	NEXIS	ATLANT	1/83
Austin Business Journal*	NEXIS	AUST	1/85
Australia Country Reports***	REPORT	AUS	1/87
Austria Country Reports***	REPORT	AUSTR	1/87
Automation*	NEXIS	AUTOMA	1/83
Automotive Engineering*	NEXIS TRAN TRANS	AUTENG	1/89
Automotive Industries*	NEXIS PATENT	AUTOIN	1/83

	TRAN TRANS		
Automotive Marketing*	NEXIS TRAN TRANS	AUTOMK	1/83
Automotive News®	NEXIS TRAN TRANS	AUTONW	1/88
AutoWeek®	NEXIS TRAN	AUTOWK	1/88
Aviation Daily®	NEXIS TRAN TRANS	AVDLY	1/89
Aviation Week & Space Technology	NEXIS TRAN TRANS	AVWEEK	1/75
B			
BBC Summary of World Broadcasts	INTNEW NEXIS	BBCSWB	1/79
BC Business*	INTNEW	BCB	2/85

BDMI Limited	NEXIS COMPANY INVEST	BDM	8/90
BNA Banking Daily	BANKING BANKS	BNABD	Current
BNA Pension Reporter	BNA EXEC INSURE	PENSN	1/82
BNA Washington Insider	NEXIS EXEC LEGIS	BNAWI	9/87
BNA's Banking Report	NEXIS	BNABNK	1/82
BNH-The Business of New Hampshire*	NEXIS	HAMP	8/86
BPI Entertainment New Wire	NEXIS	BPIENT	10/90
BWD Rensburg Ltd.	COMPNY INVEST	BWD	1/90
BZW (Pacific Union Private Limited)	COMPNY INVEST	BZW	2/90
Back Stage*	NEXIS	BCKSTG	8/84
Bain Securities, Inc.	COMPNY	BSI	10/90

Baird Patrick & Co., Inc.	INVEST COMPNY	BDP	7/90
Bakery Production and Marketing*	INVEST NEXIS	BAKPRD	1/89
Baldwin's Kentucky Acts	LEGIS	KYACTS	Current
Balis Zorn Inc.	COMPNY INVEST	BZG	10/88
Baltimore Business Journal*	NEXIS	BALT	1/86
Banca Commerciale ???	COMPNY INVEST	BCI	6/83
Bank Management	BANKS NEXIS	BNKADM	1/81
Banking Expansion Reporter	BANKING BANKS EXEC NEXIS	BNKEXP	1/82
Banking Reform Hot File	LEGIS	BANKREF	1/91
Bankruptcy Legislative history	LEGIS	BKRLH	1978
Barclays de Zoete Wedd	COMPNY INVEST	BZW	2/90
Bateman Eichler Hill Richards Inc.	COMPNY	BEH	4/90

	INVEST		
Bear Stearns & Co.	COMPNY	BS	4/83
	INVEST		
Belgium Country Reports***	REPORT	BELG	1/87
Bell Lawne White & Co. Inc.	COMPNY	BLL	4/89
	INVEST		
Best's Review — Life Health	INSURE	BRLIFE	1/83
Insurance Edition*	NEXIS		
Best's Review — Property-Casualty	INSRLW	BRPROP	1/83
Insurance Edition*	INSURE		
	NEXIS		
Beverage World	NEXIS	BEVWLD	1/89
	PEOPLE		
Billings Business Journal*	NEXIS	BILL	6/86
Billings Gazette, The*	NEXIS	BIZ	2/88
Bioprocessing Technology	NEXIS	BIOPRO	1/82
	PATENT		
Biotechnology Newswatch	HEALTH	BIOTEC	5/81
McGraw-Hill's	NEXIS		
Boettcher & Company, Inc.	COMPNY	BOE	5/89
	INVEST		
Bond Buyer, The	BANKING	BNDBYR	1/81

BANKS
NEXIS

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ALPHABETICAL LIST 3

Title	Library Name	File Name	Coverage From
Booz-Allen & Hamilton, Inc.	COMPNY INVEST	BAH	2/89
Boston Business*	NEXIS	BBM	3/87
Boston Business Journal*	NEXIS	BBJ	1/86
Boston Globe, The	INTNEW NEXIS	BGLOBE	9/88
Boulder County Business Report*	NEXIS	BBR	5/85
Brazil Country Reports***	REPORT	BRAZIL	1/87
British Journal of Surgery	GENMED	BJS	1/85 to 3/87
British Telecom World	CMPCOM INTNEW	BRTWLD	1/90

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Broadcasting*	NEXIS FEDCOM NEXIS	BRCAST	1/83
Bulgaria Country Reports***	REPORT	BULGAR	1/87
Business & Commercial Aviation*	NEXIS TRAN TRANS	BUSAV	1/83
Business America	EXEC NEXIS	BUSAMR	1/83
Business Asia	EUROPE REPORT	BUASIA	1/87
Business Atlanta*	NEXIS	BAL	5/85
Business China	EUROPE REPORT	BUCHIN	1/87
Business Digest of Southeastern Massachusetts*	NEXIS	BDMA	7/88
Business Digest of Southern Maine*	NEXIS	SMBD	4/87
Business Digest of the Cape & Islands*	NEXIS	BDCC	5/88
Business Eastern Europe	EUROPE REPORT	BUEEUR	1/87

Business Europe	EUROPE REPORT	BUSEUR	1/87
Business First-Buffalo*	NEXIS	BUFF	2/85
Business First-Columbus*	NEXIS	BFC	4/85
Business First-Louisville*	NEXIS	BFL	1/85
Business for Central New Jersey*	NEXIS	JERS	10/88
Business Guide to EC Initiatives	EUROPE	ECINIT	1/87
Business Insurance®	ESTATE INSRLW INSURE NEXIS	BUSINS	1/88
Business International	EUROPE REPORT	BUSINT	1/87
Business International Forecasting Services	EUROPE REPORT	BIFSVC	1/87
Business International Money Report	EUROPE REPORT	BUSIMR	1/87
Business Journal of New Jersey*	NEXIS	BJNJ	1/85
Business Journal-Charlotte, The*	NEXIS	CHAR	7/87
Business Journal-Hartford, The*	NEXIS	HART	11/87
Business Journal-Jacksonville, The*	NEXIS	JACK	11/87

Business Journal-Milwaukee, The*	NEXIS	MIL	10/85
Business Journal-Phoenix & the Valley of the Sun, The*	NEXIS	PBJ	1/86
Business Journal-Portland, The*	NEXIS	PORT	1/84
Business Journal-Sacramento, The*	NEXIS	SAC	12/85
Business Journal-San Jose, The*	NEXIS	JOSE	10/85
Business Latin America	EUROPE REPORT	BUSLAM	1/87
Business Law Brief	INTNEW NEXIS	BLB	
Business Lawyer, The	ABA BANKING CORP GENFED FEDSEC LAWREV NEXIS TRADE LEGNEW	BUSLAW	11/81
Business News*	NEXIS	BNI	10/86
Business News From Poland	INTNEW	BNP	2/90

	EUROPE NEXIS		
Business-North Carolina	NEXIS	BNC	2/85
Business Record*	NEXIS	BREC	5/85
Business Times-Hartford, The*	NEXIS	TBT	2/85
Business Update	EUROPE REPORT	BUSUPD	1/87
Business View*	NEXIS	BVM	8/85
Business Week	NEXIS	BUSWK	1/75
Business Wire	COMPNY MARKET NEXIS	BWIRE	9/83
Business Worcester*	NEXIS	BWOR	2/86
BYTE	CMPCOM NEXIS	BYTE	1/82
C			
C.J. Lawrence, Morgan Grenfell Inc.	COMPNY INVEST	CJL	1/83
CCF Elysees Bourse	COMPNY	CCF	1/90

CCF Laurence Prust Limited	INVEST COMPNY	CLP	2/90
CD ROM Librarian	INVEST CMPCOM	CDROML	7/88
CTK National News Wire	NEXIS EUROPE	CTK	10/90
California Bill Tracking	INTNEW NEXIS LEGIS	CATRCK	1/90
California Legislation (Slip laws)	LEGIS	CAALS	1987
California Full Text Legislation (Pending bills)	LEGIS	CATEXT	12/90
California Corporation Information	COMPNY	CASOS	1983
California Executive, The*	NEXIS	CAEX	10/87
California Public Contractors State Licensing Board	COMPNY	CACON	Current
California Secretary of State Uniform Commercial Code	COMPNY	CAUCC	1965
California State Board of Equalization Sales Tax Registration Information	COMPNY	CASALE	1956
Campaigns & Elections	CMPGN	C&E	10/89

Canada Country Reports***	NEXIS REPORT	CANADA	1/87

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ALPHABETICAL LIST 4

Title	Library Name	File Name	Coverage From
Canadian Business*	INTNEW NEXIS	CANBUS	1/83
Cancer	GENMED	CA	1/85
Cancer Treatment Reports	GENMED	CTR	1/83
Cancer Treatment Symposia	GENMED	CTS	1983 to 3/87
Capital District Business Review	NEXIS	CDBR	2/87
Capital Source™, The	CMPGN EXEC	CAPTAL	Current
Car & Driver*	NEXIS	CARDRY	1/88

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	TRAN TRANS		
Central and Eastern Europe Legal Texts	EUROPE	EELEG	11/90
Central New York Business Journal*	NEXIS	CNYJ	3/85
Central News Agency	INTNEW NEXIS	CENEWS	4/84
Central Pennsylvania Business Digest*	NEXIS	BDCP	1/85
Chain Store Age Executive*	NEXIS	CSAEXC	1/83
Charterhouse Tilney	COMPNY INVEST	CHT	11/89
Chemical Engineering	NEXIS	CHEMEN	1/81
Chemical Marketing Reporter*	NEXIS	CHMMKT	1/89
Chemical Week	NEXIS	CHEMWK	1/75
Chicago Corporation, The	COMPNY INVEST	CHC	10/90
Chicago Tribune	NEXIS	CHTRIB	1/88
Chile Country Reports***	REPORT	CHILE	1/87
China Country Reports***	REPORT	CHINA	1/87
China Hand	EUROPE REPORT	CHINAH	1/87
Christian Science Monitor, The	INTNEW	CSM	1/80

	NEXIS		
Cincinnati Business Courier*	NEXIS	CBC	1/85
Citicorp Vickers Hong Kong	COMPNY INVEST	CTV	10/90
Civil Aeronautics Board Decisions	TRAN	CAB	3/79 to 12/84
Clean-Coal/Synfuels Letter	ENERGY ENRGY ENVIRN NEXIS	SYNFLS	5/82
Clinical Orthopaedics & Related Research	GENMED	CLOR	1/83
Clinical Pediatrics	GENMED	CLP	1/83
Coal	ENRGY NEXIS	COAL	1/81
Coal Week	ENRGY NEXIS	COALWK	1/81
Coal Week International	ENRGY NEXIS	COALIN	1/81
Coburn & Meredith, Inc.	INTNEW COMPNY	CMI	4/90

Code of Federal Regulations (U.S.) (all titles)	INVEST CODES EXEC GENFED BANKS	CFR	Current
Code of Federal Regulations (U.S.) (Titles 12 and 31)		REGS	Current
Columbia Country Reports***	REPORT	COLOM	1/87
Colorado Bill Tracking	LEGIS	COTRCK	1/90
Colorado Legislation (Slip laws)	LEGIS	COALS	1989
Colorado Full Text Legislation (pending bills)	LEGIS	COTEXT	1/91
Colorado Business*	NEXIS	COLO	6/86
Colorado Corporation/Limited Partnership Information	COMPNY	COSOS	Current
Colorado Trademark/ Service Information	COMPNY	COTM	Current
COMLINE Daily News – Biotechnology and Medical Technology	INTNEW NEXIS	JAPBIO	1/89
– Chemicals and Materials	INTNEW	JAPCHM	1/89

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– Computers	NEXIS CMPCOM INTNEW	JAPCOM	1/89
– Electronics	NEXIS CMPCOM INTNEW	JAPELE	1/89
– Industrial Automation and Mechanical Engineering	NEXIS INTNEW	JAPA	1/89
– Telecommunications	NEXIS CMPCOM INTNEW	JAPTEL	1/89
– Tokyo Financial Wire	NEXIS BANKS INTNEW	TOKFIN	1/89
– Transportation	NEXIS INTNEW	JAPTRN	1/89
	NEXIS		
Commission of the European			
– Legislation	EUROPE	LEGIS	7/79
– Implementing Directives	EUROPE	NATPRV	7/79
– Parliamentary Questions	EUROPE	PARLQ	7/79

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– Preparatory Acts	EUROPE	PREP	1975
– Treaties	EUROPE	TREATY	7/79
Committee Reports	LEGIS GENFED	CMTRPT	1/90
Communication World*	NEXIS	COMWLD	1/89
Communications Daily	CMPCOM NEXIS	COMDLY	1/84
Communications International*	CMPCOM INTNEW NEXIS	CMNTL	1/90
Communications of the ACM*	CMPCOM NEXIS	CACM	1/88
Compensation and Benefits Review*	INSURE NEXIS	COMBEN	1/89
Computer Aided Engineering*	CMPCOM NEXIS	CMPAID	1/89
Computer Decisions*	CMPCOM NEXIS	CMPDEC	1/83
Computer & Software News*	CMPCOM NEXIS	CMPSFT	1/88
Computer Design*	CMPCOM NEXIS PATENT	CMPDGN	1/88

Computer Graphics World*	CMPCOM NEXIS	CPGWLD	1/90

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ALPHABETICAL LIST 5

Title	Library Name	File Name	Coverage From
Computer Language*	CMPCOM NEXIS	CMPLAN	1/89
Computer Lawyer, The	CMPCOM NEXIS	CPLWR	1/90
Computergram International*	CMPCOM NEXIS	CMPINT	1/89
Computers in Banking	BANKS CMPCOM NEXIS	CMPBNK	1/88
Computerworld	CMPCOM NEXIS	CMPWLD	1/82

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Congressional			
- Billcast™ Archive	LEGIS	BLARCH	99th
- Billcast™ Legislative Forecasts	LEGIS	BLCAST	Current
- Bill Tracking – 101st Congress Archive	LEGIS	BLT101	101st
- Bill Tracking Report	LEGIS	BLTRCK	Current
- Committee Membership Profile Report	CMPGN LEGIS	COMTEE	Current
- Committee Schedule Report	CMPGN LEGIS	COMSCH	101st
- Committee Vote Report	CMPGN LEGIS	COMVTE	101st
- Congressional Committee Votes Archive	CMPGN LEGIS	CVTARC	101st
- Daily Digest 102nd	LEGIS	102DIG	102nd
- District/State Profile Report	LEGIS	DIS/ST	Current
- Extension of Remarks, 102nd Congress	CMPGN LEGIS	102RMK	102nd
- Floor Votes	CMPGN LEGIS	VOTES	102nd

Exhibit 49

- Floor Votes Archive	CMPGN LEGIS	VOTARC	100th
- Full Text of Bills	LEGIS	BLTEXT	Current
- Full Text of Bills Archive	LEGIS	BTX101	101st
- Honorana Contributions by Organization	CMPGN LEGIS	HONORA	1986
- Honorana Receipts by Member	CMPGN LEGIS	MEMHON	1986
- House of Representatives, 102nd Congress	LEGIS	102HSE	102nd
- Legislative Record by Member	CMPGN LEGIS	MLEGIS	100th
- Media Report (ADI)	CMPGN LEGIS MARKET	MEDIA	Current
- Member Financial Report	CMPGN LEGIS	MEMFIN	1988
- Member Profile Report	LEGIS PEOPLE	MEMBR	Current
- Political Action Committee Report	CMPGN LEGIS	PAC	1988

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- Senate 102nd Congress	LEGIS	102SEN	102nd
Connecticut Bill Tracking	LEGIS	CTTRCK	2/90
Connecticut Legislation	LEGIS	CTALS	1987
Connecticut Secretary of State Corporation Records	COMPNY	CTINC	Current
Construction Review*	NEXIS	CONREV	5/84
Consumer Electronics*	NEXIS	CONELC	1/83
Consumer Reports®	MARKET	CONSMR	1/88
Cook Political Report, The	NEXIS CMPGN	CKRPT	3/88
Coopers & Lybrand Europe	NEXIS COMPNY INVEST	CLE	4/90
Corporate and UCC Filings/ Searching Assistance Information	COMPNY	FILTIP	Current
Corporate Cashflow Magazine*	BANKS NEXIS	CRCASH	2/90
Corporate EFT Report*	BANKS NEXIS	CREFT	1/90
Corporate Report — Kansas City, The*	NEXIS	CRKC	11/86

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Corporate Report Minnesota, The*	NEXIS	CRMN	10/87
Cosmetic & Toiletries*	NEXIS	CSMTLT	1/90
Cosmetics International*	INTNEW	CSMINT	1/90
Country Monitoring Service	NEXIS EUROPE REPORT	CMONSV	1/87
Country News Alerts***	ALERT	ALERT	Current
Country Profile	EUROPE REPORT	COUPRF	1/87
Country Report	EUROPE REPORT	COURPT	1/87
Country Reports	EUROPE REPORT	RPTIBC	1/87
County NatWest Securities Asia Ltd.	COMPNY INVEST	CNA	7/90
Courier-Journal, The*	NEXIS	COUR	2/88
Craig-Halum Inc.	COMPNY INVEST	CH	4/88
Crain's Chicago Business®	NEXIS	CHIBUS	1/86
Crain's Cleveland Business*	NEXIS	CCLE	1/86

Crain's Detroit Business*	NEXIS	CDET	1/86
Crain's New York Business	NEXIS	NYBUS	1/87
Credit Suisse First Boston Limited	COMPNY INVEST	CSF	7/90
Credit Union Executive*	BANKS NEXIS	CUEXEC	1/90
Current Digest of the Soviet Press, The	INTNEW NEXIS	CDSP	6/83
Czechoslovakia Country Reports***	REPORT	CZECHO	1/87
D			
DAFSA	COMPNY INVEST	DAF	2/82
DEC User*	CMPCOM NEXIS	DECUSR	1/90
DEGAB	COMPANY INVEST	DGB	3/82
DG Review*	CMPCOM NEXIS	DGREV	1/88
DM News	MARKET NEXIS	DMNEWS	2/85

Daily Labor Report	EXEC NEXIS	DLABRT	1/82

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ALPHABETICAL LIST 6

Title	Library Name	File Name	Coverage From
Daily Report for Executives	EXEC LEGIS NEXIS LEGNEW	DREXEC	1/82
Daily/Sunday Telegraph, The	EUROPE INTNEW NEXIS	TELEGR	9/88
Dain Bosworth Incorporated	COMPNY INVEST	DB	1/83
Dairy Foods Magazine*	NEXIS	DYFOOD	1/89
Daiwa Securities Co., Ltd.	COMPANY	DAI	10/90

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	INVEST		
Dallas Business Journal*	NEXIS	DFW	1/85
Dallas Magazine	NEXIS	DALL	1/86
Dallas Times Herald*	NEXIS	DALTIME	3/90
Data Based Advisor*	CMPCOM NEXIS	DBADVS	1/89
Data Channels	CMPCOM NEXIS	DATACH	1/90
Data Communications*	CMPCOM NEXIS	DATA	1/82
Database*	CMPCOM NEXIS	DBASE	7/88
Database Searcher*	CMPCOM NEXIS	DBASES	7/88
Datamation*	CMPCOM NEXIS	DATAMA	1/83
Dayton-Springfield Business Life*	NEXIS	DSBL	2/87
Dean Witter Reynolds Inc.	COMPNY INVEST	DW	3/88
Decision Resources Incorporated	COMPNY INVEST	ADL	2/87- 3/90

Defense & Foreign Affairs' Strategic Policy	NEXIS	DFA	1/81
Defense & Foreign Affairs Weekly	INTNEW NEXIS	DFAWKY	1/81
Defense Electronics	NEXIS	DEFLC	1/82
Defense News	NEXIS	DEFNEW	1/90
Delaware bill tracking	LEGIS	DETRCK	1/89
Delaware Legislation (Skip News)	LEGIS	DEALS	1989
Delaware Secretary of State Corporation and Limited Partnership Information	COMPNY	DESOS	
Delaware Valley Business Digest*	NEXIS	BDDV	1/85
Denmark Country Reports***	REPORT	DEN	1/87
Denver Business*	NEXIS	DBW	1/85
Denver Business Journal, The*	NEXIS	DENV	10/86
Denver Post, The*	NEXIS	DPST	8/88
Department of State Dispatch	EXEC	DSPTCH	1/90
Department of Transportation Aviation Decisions	INTNEW TRAN	OTAV	1/85
Detroit News, The*	NEXIS	DETNWS	1/90

Digital Review*	CMPCOM NEXIS	DGTREV	1/88
Dillon Read & Company, Inc.	COMPNY INVEST	DR	11/88
Dimensions in Health Care	HEALTH	DHC	8/83
Direct Marketing Magazine*	MARKET NEXIS	DIRMKT	1/90
Directory of Bankruptcy Attorneys	PEOPLE	BKRDIR	Current
Disclosure® Online Database	COMPNY	DISCLO	Current
Discount Store News*	NEXIS	DSNEWS	2/83
Diseases of the Colon and Rectum	GENMED	DCR	1/84
Distribution*	NEXIS	DSTBUT	1/83
District of Columbia Legislation	LEGIS	DCALS	1990
Doing Business in Eastern Europe	EUROPE REPORT	DBUSEU	1/87
Donaldson, Lufkin & Jennette Securities Corp.	COMPANY INVEST	DLJ	3/83
Dr. Dobb's Journal of Software Tools*	CMPCOM NEXIS	DOBBS	1/88
Drug and Cosmetic Industry*	NEXIS	DRGCOS	1/89
Drug Store News*	NEXIS	DRUGST	1/90

Drug Topics*	NEXIS	DRUGTP	1/83
Duff & Phelps	COMPNY	DNP	1/91
	INVEST		
E			
EC Energy Monthly	ENRGY	ECENGM	1/89
	INTNEW		
	NEXIS		
EDN*	CMPCOM	EDN	1/88
EFT Reports*	BANKS	EFTROT	1/90
	NEXIS		
ENR	NEXIS	ENR	1/81
ESD: Electronic System Design Magazine*	CMPCOM	ESD	1/88
	NEXIS		
East Asian Executive Reports	INTNEW	EASIAN	1/81
	NEXIS		
East European Markets	BANKING	EEM	1/89
	INTNEW		
	MARKET		
	NEXIS		

East Germany Country Reports***	REPORT	EGER	1/87
Earthquake Background News***	BACKGR	EARTH	1/87
Economic Risk Service	EUROPE REPORT	ECOSVC	1/87
Economist, The	BANKING BANKS EUROPE INTNEW NEXIS	ECON	1/75
Ecuador Country Reports***	REPORT	ECUAD	1/87
Education Update	GOVNEWS NEXIS	EDUP	Summer
Egypt Country Reports	REPORT	EGYPT	1/87
Electric Light & Power	ENRGY NEXIS	ELP	1/90
Electric Utility Week	ENERGY ENRGY NEXIS PATENT UTILITY	ELUTL	1/81
Electrical Review*	NEXIS	ELRVW	1/90

Electronic Business	CMPCOM NEXIS	ELCBUS	1/88
Electronic Design*	CMOCOM NEXIS	ELCDES	1/83

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ALPHABETICAL LIST 7

Title	Library Name	File Name	Coverage From
Electronic Learning*	CMPCOM NEXIS	ELCRN	1/88
Electronic Media™	NEXIS	EMEDIA	1/88
Electronic News*	CMPCOM NEXIS	ELCNEWS	1/83
Electronics	CMPCOM NEXIS	ELECTR	1/81
Energy Journal, The*	ENRGY NEXIS	ENRJNL	1/89

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Energy Listener Series	ENRGY NEXIS	ENRLST	7/90
Energy Report, The*	ENRGY NEXIS	ENGRPT	1/90
Energy User News	ENRGY EXEC NEXIS	ENRNWS	1/83
Engineering and Mining Journal	ENVIRN NEXIS	EMJ	1/81
Environmental Legislative History	LEGIS	ENVLH	1978
Epplec Guerin & Turner, Inc.	COMPNY INVEST	EGT	1/90
Estate Tax Legislative History	LEGIS	ESTLH	1978
Europe News***	EUROPE	NEWS	1989
European Communities Case Law+	EUROPE	CASES	1/54
European Cosmetic Markets*	INTNEW MARKET NEXIS	EURCSM	1/90
European Energy Report	ENRGY	EER	1/89

	INTNEW NEXIS		
European Intelligence+	EUROPE	EURINT	1/89
European Report+	EUROPE	EURRPT	1/89
Euroscope Database	EUROPE	EURSCP	1/89
Evans Economics Electronic New Service	BANKS COMPNY NEXIS	EARN	Current
Executive Changes News***	PEOPLE	EXECHG	1976
Executive Report*	NEXIS	EXEC	1/85
Executive Speaker®, The	MARKET NEXIS	EXECSP	6/80
Expert and the Law, The	LEGNEW NEXIS	EXPTLW	12/81
Extel Cards Database	COMPNY EUROPE	EXTEL	10/89
F			
FDA Consumer	EXEC MARKET NEXIS	FDA	1/84

Exhibit 49

F- D-C Reports:			
- Blue Sheet, The	GENMED	BLUE	1/84
- Gray Sheet, The	GENMED	GRAY	1/84
- Green Sheet, The	GENMED	GREEN	1/85
- Pink Sheet, The	GENMED	PINK	1/84
- Rose Sheet, The	GENMED	ROSE	1/84
FT Energy Economist	ENRGY INTNEW NEXIS	ENRECO	1/88
Facts on File World News Digest	INTNEW NEXIS	FACTS	1/75
Fairfield County Business Journal*	NEXIS	SCBJ	11/87
Federal Contract Report	EXEC NEXIS	FDCONT	1/82
Federal Energy Regulatory Commission Decisions	ENRGY	FERC	1/77
Federal News Service	CMPGN EXEC FEDCOM LEGIS NEXIS	FEDNEW	8/88

Federal Power Commission Decisions	ENRGY	FPC	9/77
Federal Register (United States)	BANKNG BKRTCY BANKS CODES ENVIRN FEDCOM FEDSEC GENFED EXEC IMMIG LABOR MILTRY PATENT PUBCON PUBHW TRADE UCC UTILTY	FEDREG	7/80
Federal Reserve Bulletin	BANKNG	FEDRB	1/70

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	EXEC		
Federal Tax Legislative History	LEGIS	TAXLH	1954
FEDWATCH®	BANKNG	FEDWTC	3/84
	BANKS		
	NEXIS		
Fiber Optic News*	CMPCOM	FIBROP	1/90
	NEXIS		
Finance and Development*	BANKS	FINDEV	1/90
	NEXIS		
Financial Executive*	BANKS	FINEXC	1/90
	NEXIS		
Financial Industry Information	BANKNG	FINIS	1/82
Service**	BANKS		
	COMPNY		
	NEXIS		
Financial Institutions Reform,	LEGIS	FIRREA	1989
Recovery, Enforcement Act of 1989			
(With legislative histories)			
Financial Market Trends*	BANKS	FINMKT	1/90
	NEXIS		
Financial Regulation Report	BANKNG	FRR	1/89

Exhibit 49

	BANKS INTNEW NEXIS		
Financial Review, The*	BANKS NEXIS	FINRVW	1/90
Financial Services Reports*	BANKS NEXIS	FINSVC	1/90

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 8

Title	Library Name	File Name	Coverage From
Financial Services Week	NEXIS	FSW	7/90
Financial Times+	BANKING BANKS EUROPE INTNEW NEXIS	FINTIME	1/82
Financial World	BANKING	FINWLD	1/83

	BANKS ENRGY NEXIS		
Financing Foreign Operations	REPORT	FINFOR	1/87
Finland Country Reports***	REPORT	FIN	1/87
FinTech 1 Telecom Markets	CMPCOM INTNEW NEXIS	FTTEL	1/88
FinTech 2 Electronic Office	CMPCOM INTNEW NEXIS	FTELC	1/88
FinTech 7 Mobile Communications	CMPCOM INTNEW NEXIS	FTMCOM	1/89
First Boston Corporation, The	COMPNY INVEST	FB	7/86
Fitch Investors Service, Inc.	COMPNY INVEST	FIT	9/84
Flight International	NEXIS TRAN	FLIGHT	1/89
Flood Background News***	BACKGR	FLOODS	Current

Florida bill tracking	LEGIS	FLTRCK	2/90
Florida Legislation (Slip laws)	LEGIS	FLALS	1987
Florida Business — Tampa Bay	NEXIS	TAMP	8/87
Florida Trend*	NEXIS	FLOR	7/86
Focus*	NEXIS	FOC	1/85
Folio: The Magazine for Magazine Management*	MARKET NEXIS	FOLIO	11/84
Food & Beverage Marketing	MARKET NEXIS	FOODBEV	1/90
Food & Nutrition	NEXIS	FOOD	4/84
Food Engineering	NEXIS	FOODEN	1/90
Food in Canada*	INTNEW NEXIS	FDCAN	1/90
Food Manufacture International**	NEXIS	FDMAN	1/90
Food Trade Review*	NEXIS	FDTRD	1/90
Footwear News*	NEXIS	FTNEWS	1/83
Forbes	NEXIS	FORBES	1/75
Forbes Annual Dictionary	COMPNY	FORBAD	1984
Foreign Affairs	INTNEW NEXIS	FORAFR	1981
Forest Fire Background News***	BACKGR	FIRE	Current

Forest Industries*	ENVRN NEXIS	FORIND	1/89
Fort Worth Magazine*	NEXIS	FTW	1/86
Fortune	EUROPE NEXIS	FORTUN	1/77
Foster Natural Gas Report	ENRGY NEXIS	FINGAS	1/81
Foundry Management & Technology*	NEXIS	FOUNDR	2/83
Fox-Pitt, Kelton, Inc.	COMPNY INVEST	FOX	7/84
France Country Reports***	REPORT	FRANCE	1/87
Frozen and Chilled Foods*	NEXIS	FRFOOD	1/90
Futures: The Magazine of Commodities & Options*	BANKS NEXIS	FUTMAG	1/90
Futurist, The	MARKET NEXIS	FUTURE	1/89

G

Gannett News Service	NEXIS	GNS	1/89
Gas Market Report	ENRGY	GASMKT	1/81
	NEWS		
Gas World*	ENRGY	GASWLD	1/90
	NEXIS		
Gazeta International	EUROPE	GAZETA	3/90
	INTNEW		
	NEXIS		
Genetic Technology News	HEALTH	GENTEC	1/82
	NEXIS		
Georgia Bill Tracking	LEGIS	GATRCK	1/90
Georgia Legislation (Slip laws)	LEGIS	GAALS	1989
Georgia Secretary of State	COMPNY	GASOS	
Georgia Trend*	NEXIS	GEOR	7/86
Gerard Klauer Mattison & Co.	COMPNY	GKM	9/90
	INVEST		
Gordon Telecommunications	CMPCOM	GORDON	1/90
	NEXIS		
Gorman's New Product News	MARKET	NPRODN	1/89
	NEXIS		
Government Computer News*	CMPCOM	GOVCMP	1/88

	NEXIS		
Government Employee Relations Report	EXEC NEXIS	GOVEMP	1/82
Government Executive	EXEC NEXIS	GOVEXEC	1/90
Grand Rapids Business Journal*	NEXIS	BJGR	6/85
Graphic Arts Monthly*	NEXIS	GRAPH	1/83
Greece Country Reports***	REPORT	GREECE	1/87
Greater Baton Rouge Business Report, The*	NEXIS	BRB	7/86
Greensboro News & Record*	NEXIS	NCNR	4/88
Grocery Marketing*	MARKET NEXIS	GRCMKT	1/90
H			
H.C. Wainwright & Co.	COMPNY INVEST	HCW	8/90
HFD — The Weekly Home Furnishings Newspaper	NEXIS	HFDNWS	1/83
Hambrecht & Quist Inc.	COMPNY INVEST	HMQ	6/90

Handbook on Injectable Drugs	GENMED	HID	Current
Harvard Business Review	NEXIS	HBR	1/76
Hawaii Bill Tracking	LEGIS	HITRCK	1/90
Hawaii Legislation (Slip laws)	LEGIS	HIALS	1989
Hawaii Business*	NEXIS	HIB	1/85
Health*	NEXIS	HEALTH	1/83
Healthcare Financial Management*	EMPLOY	HLTFIN	1/89
	INSURE		
	NEXIS		
	PUBEMP		
	PUBHW		

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 9

Title	Library Name	File Name	Coverage From
Henderson Crosthwaite Institutional Brokers, Ltd.	COMPNY	HCR	3/90
	INVEST		

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Henry Cooke, Lumsden PLC	COMPNY INVEST	HCL	11/89
Heritage Foundation Reports	EXEC LEGIS NEXIS	HFRPTS	5/77
Hewlett-Packard Journal*	CMPCOM NEXIS	HPJNL	1/88
Hibbard Brown & Company, Inc.	COMPNY INVEST	HBC	10/88
High-Tech MATERIALS Alert	CMPCOM NEXIS	HTMTRL	1/84
Hoare Govett Investment Research	COMPNY INVEST	HGV	1/90
Hornans, McGraw, Trull, Valeo & Company	COMPNY INVEST	HMG	7/88
Hong Kong Country Reports***	REPORT	HKONG	Current
Hospitals*	NEXIS	HOSPTL	1/83
Hotline, The	CMPGN LEGIS NEXIS	HOTLNE	1/90
Houston Business Journal*	NEXIS	HBJ	2/85

Hungary Country Reports***	REPORT	HUNGAR	1/87
Hungary Handbook, The	EUROPE	HUNHAN	1990
Supplements	REPORT		11/90
Hurricane Background News***	BACKGR	HURRIC	Current
I			
IBC Brazil Service	REPORT	IBCBRA	1/89
IBC International Country Risk Guide	REPORT	IBCCRG	1/90
IBC International Reports	REPORT	IBCINT	1/89
IBC International Market Alert	REPORT	IBCMAR	1/91
IBC Mexico Service	REPORT	IBCMEX	1/89
IBM System User*	CMPCOM NEXIS	IBMSYS	1/90
ICC Full-Text Keynote Market Reports	COMPNY	ICCMKT	1/90
ICC Full-Text Quoted Company	COMPNY	ICCCO	1987
Annual Reports			
IDP Report*	CMPCOM NEXIS	IDPRPT	7/88
Idaho bill tracking	LEGIS	IDTRCK	1/90
Idaho Legislation (Slip laws)	LEGIS	IDALS	1989
Illinois Bill Tracking	LEGIS	ILTRCK	1/89

Illinois Legislation (Slip laws)	LEGIS	ILALS	1989
Illinois Corporate Information	COMPNY	ILINC	1900
Illinois Legal Times	NEXIS LEGNEW	ILT	1/90
Illinois Secretary of States Uniform Commercial Code Information	COMPNY	ILUCC	Current
Inc.	NEXIS	INC	6/81
Independent, The	ENRGY EUROPE INTNEW NEXIS	INDPNT	1/90
Independent Power Report	ENRGY NEXIS	IPR	1/89
India Country Reports***	REPORT	INDIA	1/87
Indiana Bill Tracking	LEGIS	INTRCK	1/90
Indiana Legislation (Slip laws)	LEGIS	INALS	1989
Indiana Business*	NEXIS	INDB	1/85
Indiana Secretary of State Corporate & Limited Partnership Information	COMPNY	INSOS	Current
Indianapolis Business Journal*	NEXIS	IBJ	1/85

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Indonesia Country Reports***	REPORT	INDO	1/87
Industrial Communications*	CMPCOM NEXIS	INDCOM	6/90
Industrial Computing*	CMPCOM NEXIS	INDCMP	1/90
Industrial Distribution*	NEXIS	INDDIS	1/89
Industrial Energy Bulletin	ENRGY NEXIS	IEB	1/89
Industry Week	NEXIS	INDWK	1/81
Information Bank™ Abstracts, The*	COMPNY NEXIS	ABS	1/69
Information Bank™ – Advertising and Marketing Intelligence Service	COMPNY MARKET NEXIS	AMI	1/79
Information Today*	CMPCOM NEXIS	INFTDY	7/88
InfoWorld	CMPCOM NEXIS	INFWLD	7/83
Inside Energy with Federal Lands	ENRGY	INERGY	1/81

Inside F.E.R.C.	NEXIS ENRGY NEXIS	INFERC	1/81
Inside F.E.R.C.'s Gas Market Report	ENRGY NEXIS	GASMKT	1/89
Inside N.R.C.	ENRGY NEXIS	INNRC	1/81
Inside R&D	CMPCOM NEXIS	INRD	1/82
INSIGHTS	NEXIS	INSITE	1/90
Institutional Distribution*	NEXIS	INDIST	1/90
Institutional Investor	BANKNG BANKS NEXIS	INVEST	1/88
Institutional Investor Newsletters	BANKNG BANKS NEXIS	IINEWS	1/88
Insurance Information Institute Abstracts**	INSURE NEXIS	IIABS	4/84

Insurance Information Institute's Data Base Reports	COMPNY INSURE NEXIS	IIRPTS	Current
Insurance Periodicals Index™ (NILS Publishing)	INSURE NEXIS	IPI	1984
Insurance Review*	INSURE NEXIS	INSRVW	1/89
Integrated Waste Management	ENERGY NEXIS	IWM	1/89
Inter Press Service, The	INTNEW NEXIS	INPRES	4/84
Intercorp*	NEXIS	CBR	1/86
International Coal Report	ENRGY	ICR	1/88

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	INTNEW NEXIS		

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 10

Title	Library Name	File Name	Coverage From
International Gas Report	ENRGY INTNEW NEXIS	IGASR	1/88
International Petrochemical Report	ENRGY INTNEW NEXIS	PETCHM	1/83
International Trade Finance	BANKNG INSURE INTNEW	ITF	1/89

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International Trade Reporter	NEXIS INTNEW	INTNEW	7/84
Interstate/Johnson Lane	NEXIS COMPNY	INT	5/83
Investext® Brokerage House Reports	INVEST COMPNY	COIND	1982
– International	COMPNY	INTL	1982
– U.S.	COMPNY	US	1982
– Company	COMPNY	CO	1982
– Industry	COMPNY	IND	1982
Investing Licensing & Trading	EUROPE REPORT	INLITR	1/87
Investment Dealers' Digest	NEXIS	IDD	1/90
Investor's Daily	BANKS NEXIS	INVDLY	1/90
Iowa bill tracking	LEGIS	IATRCK	1/90
Iowa Legislation (Slip laws)	LEGIS	IAALS	1989
Iraq Country Reports***	REPORT	IRAQ	1/87
Ireland Country Reports***	REPORT	IRE	1/87
Israel Country Reports***	REPORT	ISRAEL	1/87
Issues in Bank Regulation	BANKNG	BNKREG	Winter

	BANKS EXEC NEXIS		1981
Italy Country Reports***	REPORT	ITALY	1/87
J			
J.C. Bradford & Co.	COMPNY INVEST	JCB	11/83
JCAH Perspectives	HEALTH	PERS	1/84
Jack O'Dwyer's Newsletter	MARKET NEXIS	ODWYER	1/89
Jackson Journal of Business*	NEXIS NEXIS	JJB	5/85
James Capel & Co. Ltd.	COMPNY INVEST	JCC	2/90
Janney Montgomery Scott Inc.	COMPNY INVEST	JMS	8/88
Japan Country Reports***	REPORT	JAPAN	1/87
Japan Economic Journal, The	INTNEW NEXIS	JEJ	6/80

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Japan Economic Newswire	INTNEW NEXIS	JEN	3/80
Jesup, Josephthal & Co., Inc.	COMPNY INVEST	JSJ	9/90
Jiji Press Ticker Service	INTNEW NEXIS	JIJI	1/80
Johnson Rice & Company	COMPNY INVEST	JR	1/89
Johnston, Lemon & Company	COMPNY INVEST	JL	5/89
Journal of Accountancy	NAARS	JNLACC	1/87
Journal of Advertising*	MARKET NEXIS	JNLADV	1/89
Journal of Consumer Research*	MARKET NEXIS	JCONRS	1/89
Journal of Marketing*	MARKET NEXIS	JNLMKT	1/90
Journal of Marketing Research*	MARKET NEXIS	JNLMRS	1/90

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Journal of Risk & Insurance*	INSURE NEXIS	JRISK	6/89
Journal of Small Business Management*	NEXIS	JSMBUS	7/84
Journal of Systems Management*	CMPCOM NEXIS	JSYMGT	1/89
Journal of the American Medical Association	GENMED	JAMA	1/82
Journal of the National Cancer Institute	GENMED	JNCI	1/83
K			
Kaleidoscope: Current World Data	EUROPE INTNEW REPORT	KCWD	Current
Kansas Bill Tracking	LEGIS	KSTRCK	1/89
Kansas Legislation (Slip laws)	LEGIS	AKALS	1988
Kansas Business News*	NEXIS	KBN	1/85
Kansas City Business Journal*	NEXIS	KCBJ	10/87
Keefe BankWatch	COMPNY	KBW	1/89

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Kenneth Jerome & Company, Inc.	INVEST COMPNY	KJR	6/90
Kentucky Bill Tracking	INVEST LEGIS	KYTRCK	11/88
Kentucky Legislation (Slip laws)	LEGIS	KYALS	1986
Kidder, Peabody & Company Inc.	COMPNY	KP	1/83
Kredietbank NV	INVEST COMPNY	KB	9/83
Kuwait Country Reports***	INVEST REPORT	KUWAIT	Current
L			
Ladenburg, Thalman & Co. Inc.	COMPNY	LDB	3/90
Laing & Cruickshank	INVEST COMPNY	LNC	5/90
LAN Times	INVEST CMPCOM	LANTME	1/90
Las Vegas Business Press*	NEXIS NEXIS	VEGA	5/86

Laserdisk Professional*	CMPCOM NEXIS	LASDSK	1/89
Lasers & Optronics*	NEXIS	LSROPT	1/90
Latin American Newsletters	NEXIS	LAN	4/67
Law Practice Management	ABA GENFED LEGNEW	LGECON	1/82
Legal Times	GENFED LEGNEW NEXIS	LGLTME	1/82

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ALPHABETICAL LIST 11

Title	Library Name	File Name	Coverage From
Lehigh Valley Business Digest*	NEXIS	BDLV	1/85

Libya Country Reports***	REPORT	LIBYA	1/87
Library Software Review*	CMPCOM NEXIS	LSFTR	7/88
Life	NEXIS	LIFE	1/82
Link-Up*	CMPCOM NEXIS	LINKUP	7/88
London Business Monthly Magazine*	INTNEW NEXIS	WOB	3/87
Long Distance Letter, The*	CMPCOM NEXIS	LDLTR	1/90
Los Angeles Business Journal, The*	NEXIS	LABJ	8/87
Los Angeles Magazine*	NEXIS	LAM	5/88
Los Angeles Times	INTNEW NEXIS	LAT	1/85
Los Angeles Times Biographical Stories	NEXIS PEOPLE	LATBIO	1/90
Lotus Magazine*	CMPCOM NEXIS	LOTUS	1/88
Louisville*	NEXIS	LOU	1/85

Louisiana Bill Tracking	LEGIS	LATRCK	4/90
Louisiana Legislation (Slip laws)	LEGIS	LAALS	1990
Lyme Disease Background News***	BACKGR	LYME	Current
M			
M&A Europe	BANKS EUROPE INTNEW NEXIS	MAEUR	1/90
MM&M Medical Marketing & Media*	MARKET NEXIS	MEDMKT	1/90
MTI Econews	INTNEW EUROPE NEXIS	MTI	10/90
Mabon, Nugent & Company	COMPNY INVEST	MNC	10/86
Machine Design*	NEXIS	MACDSN	1/83
Maclean's	INTNEW NEXIS	MCLEAN	1/85

MacNeil/Lehrer NewsHour, The	CMPGN EXEC NEXIS	MACLEH	1/82
MacUser*	CMPCOM NEXIS	MACUSR	1/88
MacWeek*	CMPCOM NEXIS	MCWEEK	1/88
Magazine of Bank Administration, The	BANKNG BANKS NEXIS	BNKADM	1/81
Maine Bill Tracking	LEGIS	METRCK	12/88
Maine Legislation	LEGIS	MEALS	1989
Malaysia Country Reports***	REPORT	MALAY	1/87
Manchester Guardian Weekly	EUROPE EXEC INTNEW NEXIS	MAGRWK	1/81
Manhattan Lawyer	GENFED	MNLAWR	9/87

Manitoba Business*	LEGNEW NEXIS INTNEW NEXIS	MAN	1/85
Market Guide Database	COMPNY	MG	Current
Market Reports	EUROPE REPORT	MKTRPT	1987
Market Research Europe*	INTNEW MARKET NEXIS	MKTEUR	1/90
Marketing*	MARKET NEXIS	MRKTNG	1/90
Marketing News*	MARKET NEXIS	MKTNWS	1/90
Martindale-Hubbell® Law Directory Practice Profiles	PEOPLE	MHPROF	1991 Edition
Maryland Bill Tracking	LEGIS	MDTRCK	9/90 -
Maryland Department of Assessments and Taxation	COMPNY	MDSDAT	Current
Maryland Department of Assessments	COMPNY	MDUCC	10/84

and Taxation Uniform Commercial Code Information			
Maryland Legislation (Slip laws)	LEGIS	MDALS	1989
Massachusetts Bill Tracking	LEGIS	MATRCK	12/90
Massachusetts Full Text Legislation (Pending bills)	LEGIS	MATEXT	1/91
Massachusetts Lawyers Weekly	LEGNEW NEXIS	MALAWR	1/91
Massachusetts Legislation (Slip laws)	LEGIS	MAALS	1990
Massachusetts Secretary of State – Corporation and Limited Partnership Information	COMPNY	MASOS	Current
– Uniform Commercial Code Filings	COMPNY	MAUCC	Current
Mass Murder Background News***	BACKGR	MURDER	Current
McDonald & Co. Securities, Inc.	COMPNY INVEST	MCD	11/89
McIntosh Hamson Hoare Govett Ltd.	COMPNY INVEST	MIH	7/90
Media Week	MARKET	MEDIWK	1/83

	NEXIS		
MEDLINE®, The National Library of Medicine	MEDLNE		1966
Memphis Business Journal*	NEXIS	MBJ	3/85
Mercer Business Journal*	NEXIS	MCB	4/85
Mergers & Acquisitions	BANKS	MA	1/90
	NEXIS		
Mergers & Acquisitions Report	BANKS	IDD	1/90
	NEXIS		
Merrill Lynch Pierce Fenner & Smith Inc.	COMPNY	MER	9/88
	INVEST		
Metals Week	NEXIS	METLWK	1/81
Metalworking News* (includes Iron Age)	NEXIS	MTLNWS	1/83
Metropolitan Toronto Business Journal*	INTNEW	BJM	5/85
	NEXIS		
Mexico Country Reports***	REPORT	MEXICO	1/87
Michigan Bill Tracking	LEGIS	MITRCK	Current

Michigan Business*	NEXIS	MICH	7/86
Michigan Department of Commerce Information	COMPNY	MICOMM	1821

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ALPHABETICAL LIST 12

Title	Library Name	File Name	Coverage From
Michigan Full Text Legislation (Pending bills)	LEGIS	MITEXT	1/91
Michigan Lawyer's Weekly	LEGNEW NEXIS	MILAWR	1/91
Michigan Legislation (Slip laws)	LEGIS	MIALS	1990
MICROMEDEX™			
DRUGDEX®			
– Drug Consults	GENMED	CONSLT	Current
– Drug Evaluations	GENMED	EVAL	Current

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EMERGINDEX®			
– Clinical Abstracts	GENMED	ABSTR	Current
– Clinical Reviews	GENMED	DISEAS	Current
POISINDEX®			
– Poison Management	GENMED	POISON	Current
Microsoft Systems Journal*	CMPCOM NEXIS	MICRO	1/88
Middle East Executive Reports	PATENT NEXIS	MDEAST	9/78
Mideast Markets	INTNEW NEXIS	MEM	1/89
Mini-Micro Systems*	CMPCOM NEXIS	MMSYS	1/88
Mining Annual Review	ENRGY NEXIS	MINREV	1981
Mining Journal	ENRGY NEXIS	MINJNL	1/81
Mining Magazine	ENRGY NEXIS	MINMAG	1/81
Minneapolis-St. Paul CityBusiness*	NEXIS	MNCB	3/85

Minnesota Bill Tracking	LEGIS	MNTRCK	1/89
Minnesota Legislation (Slip laws)	LEGIS	MNALS	1989
Mississippi Bill Tracking	LEGIS	MSTRCK	1/90
Mississippi Legislation	LEGIS	MSALS	1989
Mississippi Business Journal*	NEXIS	MISS	1/86
Missouri Bill Tracking	LEGIS	MOTRCK	1/89
Missouri Legislation (Slip laws)	LEGIS	MOALS	1988
Missouri Secretary of State Corporate Information	COMPNY	MOINC	1808
Modern Brewery Age*	NEXIS	MODBRW	1/90
Modern Healthcare	NEXIS	MHC	1/90
Modern Office Technology*	CMPCOM NEXIS	MOTECH	1/83
Money	BANKS NEXIS	MONEY	1/82
Money Laundering Alert	BANKS INTNEW NEXIS	MLA	10/89
Montana Bill Tracking	LEGIS	MTTRCK	5/90
Montana Legislation (Slip laws)	LEGIS	MTALS	1989

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Monthly Labor Review*	EXEC NEXIS	MLABOR	9/84
Monthly Report On Europe+	EUROPE	MONREP	1/90
Morgan Stanley & Co. Incorporated	COMPNY INVEST	MRG	6/86
Morocco Country Reports***	REPORT	MOROCC	1/87
Motor Age*	NEXIS TRAN	MTRAGE	1/89
Multinational Service+	EUROPE	MULSRV	1/89
N			
Nashville Business Journal*	NEXIS	NASH	7/67
Nation, The*	EXEC LEGIS NEXIS	NATION	1/64
National Association of Insurance Commissioners Proceedings	INSRLW INSURE	NAIC NAIC	12/49
National Food Review*	NEXIS	NFOODR	1/89

National Institute Economic Review*	INTNEW NEXIS	ECOREV	1/89
National Journal	CMPGN EXEC GENFED LEGIS NEXIS	NTLUNL	1/77
National Law Journal, The	GENFED LEGNEW NEXIS	NTLAWJ	1/83
National Petroleum News	ENRGY NEXIS	PETNWS	1/83
National Real Estate Investor*	BANKS NEXIS	NREST	1/90
National Review*	EXEC IMMIG LEGIS NEXIS	NTLREV	1/83
National Underwriter Life & Health Financial Services	INSURE NEXIS	NULFE	1/88

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National Underwriter Property Casualty/Risks & Benefits	NSUPE NEXIS	???	1/88
Nation's Business*	NEXIS	NTNBUS	1/83
Nation's Restaurant News*	NEXIS	NTNRST	2/83
Nebraska Bill Tracking	LEGIS	NETRCK	1/89
Nebraska Legislation (Slip laws)	LEGIS	NEALS	1989
Netherlands Country Reports***	REPORT	NETHER	1/87
Network World	CMPCOM NEXIS	NWW	3/86
Networking Management	CMPCOM NEXIS	???	1/88
Nevada Bill Tracking	LEGIS	NVTRCK	12/88
Nevada Legislation (Slip laws)	LEGIS	NVALS	1989
Nevada Corporation Information	COMPNY NEXI	NVSCS	1880
New England Business*	NEXI	NEB	4/85
New Hampshire Bill Tracking	LEGIS	NHTRCK	1/89
New Hampshire Legislation (Slip laws)	LEGIS	NHALS	1989
New Hampshire Business Review*	NEXIS	NHBR	5/85

New Jersey Bill Tracking	LEGIS	NJTRCK	1/90
New Jersey Legislation (Slip laws)	LEGIS	NJALS	1989
New Jersey Full Text Legislation (pending bills)	LEGIS	NJTEXT	1/9_
New Jersey Law Journal	LEGNEW NEXIS	NJLAW	1/9_
New Jersey Success*	NEXIS	NJS	1/8_
New Leader, The*	EXEC NEXIS	NEWLD?	5/8_
New Media Markets	INTNEW NEXIS	NEWMED	1/8_
New Mexico Bill Tracking	LEGIS	NMTRCK	1/9_

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ALPHABETICAL LIST 13

	Library	File	Coverage

Title	Name	Name	From
New Mexico Legislation (Slip laws)	LEGIS	NMALS	1989
New Mexico Business Journal™	NEXIS	NMEX	1/85
New Orleans CityBusiness*	NEXIS	NOCB	4/85
New Republic, The	EXEC LEGIS NEXIS	NEWREP	1/83
New York Bill Tracking	LEGIS	NYTRCK	12/88
New York Legislation	LEGIS	NYALS	1990
New York Law Journal	LEGNEW NEXIS	NYLAWJ	9/89
New York Times, The	NEXIS	NYT	6/80
– Biographical file	NEXIS PEOPLE	NYTBIO	6/80
– Biographical File-Government	EXEC PEOPLE	GOVBIO	6/80
New Zealand Country Reports***	REPORT	NZEAL	1/88
Newsday	NEXIS	NEWSDY	5/88
Newsweek+	NEXIS	NWEEK	1/75
Nigeria Country Reports***	REPORT	NIGERIA	1/88

North Carolina Bill Tracking	LEGIS	NCTRCK	1/89
North Carolina Legislation (Slip laws)	LEGIS	NCALS	1990
North Dakota Bill Tracking	LEGIS	NDTRCK	1/91
North Dakota Legislation (Slip laws)	LEGIS	NDALS	1991
North Sea Letter	ENRGY INTNEW NEXIS	NSL	1/89
North Sea Letter Monthly Rig Market Forecast	ENRGY INTNEW NEXIS	NSLRMF	1/89
Northeast Pennsylvania Business Journal*	NEXIS	NEPA	5/88
Northern Ontario Business*	INTNEW NEXIS	NONT	1/85
Norway Country Reports***	REPORT	NORWAY	1/88
Nuclear News	ENRGY NEXIS	NUNEWS	1/82
Nuclear Regulatory Commission Decisions	ENERGY ENRGY UTILTY	NRC	1/75

NuclearFuel	ENRGY NEXIS	NUFUEL	1/81
Nucleonics Week	ENRGY NEXIS	NUWEEK	1/81
O			
OEDC Observer	INTNEW EUROPE	OECD	1/89
OPIC (Overseas Private Investment Corp. Opportunity Bank)	REPORT	OPIC	1/90
Oakland Business*	NEXIS	OAK	1/86
Occupational Outlook Quarterly*	NEXIS	OCCOUT	6/83
Ocean State Business*	NEXIS	CSB	1/86
O'Dwyer's PR Services Report	MARKET NEXIS	PRSRVS	1/89
Official Kremlin International News Broadcasts	EXEC NEXIS	SOVNWS	1/87
Offshore	ENRGY NEXIS	OFFSHR	1/80
Ohio*	NEXIS	OHIO	1/86

Ohio bill tracking	LEGIS	OHTRCK	1/89
Ohio Legislation (Slip laws)	LEGIS	OHALS	1990
Ohio full text legislation (Pending bills)	LEGIS	OHTEXT	1/91
Ohio Business*	NEXIS	OHB	3/85
Oil & Gas Journal	ENRGY	OILGAS	1/78
Oil Crisis News***	NEXIS ENRGY INTNEW	CRISIS	Current
Oil Spill Background News***	BACKGR	OIL	Current
Oilweek*	ENERGY INTNEW NEXIS	OILWK	1/90
Oklahoma Bill Tracking	LEGIS	OKTRCK	2/90
Oklahoma Legislation (Slip laws)	LEGIS	OKALS	1989
ONLINE*	CMPCOM NEXIS	ONLINE	7/88
Oppenheim Finanzanalyse GMBH	COMPNY INVEST	OFA	9/90

Oppenheimer & Co., Inc.	COMPNY INVEST	OPP	12/84
Optical Information Systems	CMPCOM NEXIS	OPTINF	1/88
Orange County Business Journal*	NEXIS	OCBJ	1/85
Oregon Bill Tracking	LEGIS	ORTRCK	5/90
Oregon Legislation	LEGIS	ORALS	1989
Oregon Business*	NEXIS	OREG	3/87
P			
PAP	EUROPE INTNEW NEXIS	PAP	10/90
PC Computing*	CMPCOM NEXIS	PCCMPG	1/89
PC Magazine*	CMPCOM NEXIS	PC	1/85
PC Tech Journal*	CMPCOM NEXIS	PCTECH	1/88

PC User*	CMPCOM NEXIS	PCUSER	1/89
PC Week*	CMPCOM NEXIS	PCWEEK	8/83
PDQ			
– Cancer Information for Patients	GENMED	PIF	Current
– Cancer Terminology	GENMED	TERMS	Current
– Cancer Treatment Protocols	GENMED	PROTOC	Current
– Organization Directory	GENMED	ORGA	Current
– Physician Directory	GENMED	PERSON	Current
– State-of-the-Art Information	GENMED	STATE	Current
PIMA Magazine*	NEXIS	PIMA	1/90
PR Newswire	COMPNY MARKET NEXIS	PRNEWS	1/80
Pacific Business News*	NEXIS	PBN	1/85
Pacific Northwest Executive*	NEXIS	PNE	10/86
Packaging*	MARKET	PACKNG	1/89

NEXIS

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 14

Title	Library Name	File Name	Coverage From
PaineWebber Incorporated	COMPNY INVEST	PNW	4/85
Pakistan Country Reports***	REPORT	PAKI	1/87
Panama Country Reports***	REPORT	PANAMA	1/87
Panmure Gordon & Co. Ltd.	COMPNY INVEST	PMG	8/89
Paper*	NEXIS	PAPER	1/90
Pasfin Servizi Finanziari Spa	COMPNY INVEST	PSF	7/90

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Patents			
– Classification Information	LEXPAT	CLASS	Current
– Design	LEXPAT	DESIGN	12/76
– Index to U.S. Patent Classification	LEXPAT	INDEX	Current
– Manual of Classification	LEXPAT	CLMNL	Current
– Plant	LEXPAT	PLANT	12/76
– Utility	LEXPAT	UTIL	1/75
Pediatrics	GENMED	PED	1/84
Pennsylvania Bill Tracking	LEGIS	PATRCK	1/90
Pennsylvania Legislation	LEGIS	PAALS	1989
Pennsylvania Full Text Legislation (Pending bills)	LEGIS	PATEXT	12/90
Pennsylvania Department of States Corporation/Limited Partnership Records	COMPNY	PASOS	1700
Pennsylvania Department of State Uniform Commercial Code	COMPNY	PAUCC	1954
Pennsylvania Trademark/Servicemark Information	COMPNY	PATM	Current

Pensions & Investment Age®	BANKS BANKNG INSURE NEXIS	PENINV	1/87
People	NEXIS PEOPLE	PEOPLE	12/81
Pershing Division of Donaldson Lufkin & Jenrette Securities	COMPNY INVEST	PER	8/83
Personal Computing*	CMPCOM NEXIS	PERSNL	1/89
Peru Country Reports***	REPORT	PERU	1/87
Peterbroeck, Van Campenhout & CIE	COMPNY INVEST	PCM	8/90
Petroleum Economist*	ENERGY ENRGY INTNEW NEXIS	PETECO	1/90
Petroleum Independent*	ENRGY INTNEW NEXIS	PETIND	1/90

Petroleum Times Price Report	ENRGY INTNEW NEXIS	PETMPR	1/90
Pharmaceutical Business News*	INTNEW NEXIS	PBNWS	1/89
Philadelphia Business Journal*	NEXIS	PHIL	7/85
Philippines Country Reports***	REPORT	PHIL	Current
Phoenix Gazette, The*	NEXIS	PHNXGZ	1/90
Pink Sheet, The (Drugs)	GENMED	PINK	1/84
Pipe Line Industry*	ENRGY NEXIS	PLIND	1/90
Pipeline*	ENRGY NEXIS	PIPLNE	1/90
Piper, Jaffray & Hopwood Inc.	COMPNY INVEST	PJH	4/83
Pittsburgh Business Times & Journal	NEXIS	PBT	4/83
Pittsburgh Post Gazette	NEXIS	PITTPG	7/90
Plant Engineering*	NEXIS PATENT	PLTENG	1/83

Plastics World	NEXIS	PLSWLD	1/89
Platt's Oilgram News	ENRGY NEXIS	PONEWS	1/81
Platt's Oilgram Price Report	ENRGY NEXIS	PPRICE	5/82
Poland Country Reports***	REPORT	POLAND	Current
Policy Review (Heritage Foundation)	EXEC LEGIS NEXIS	HFRPTS	Summer 1977
Popular Science*	NEXIS	POPSCN	1/83
Portugal Country Reports***	REPORT	PORT	Current
Power in Asia	ENRGY INTNEW NEXIS	PASIA	1/89
Power in Europe	ENRGY INTNEW NEXIS	PE	1/89
Prepared Foods	NEXIS	PFOODS	1/89
Presidential Documents	EXEC	PRESDC	1/81

Press Association Newsfile	EUROPE INTNEW NEXIS	PANEWS	7/89
Privat Profit	EUROPE INTNEW NEXIS	PPROFT	5/90
Progressive Architecture*	NEXIS	PROGAR	1/83
Progressive Grocer*	NEXIS	PROGGR	1/83
Proposed Treasury Regulations	EXEC	P-REGS	
Providence Journal-Bulletin, The*	NEXIS	PROV	2/88
Provident National Bank	COMPNY INVEST	PNB	11/88
Prudential-Bache Securities	COMPNY INVEST	PB	9/83
Psychology Today*	NEXIS	PSYTDY	9/85
Public Health Reports	GENMED	PHR	1/83
Public Laws	EXEC LEGIS	PUBLAW	Current
Public Relations Journal	MARKET	PRJNL	1/83

Public Utilities FORTNIGHTLY	NEXIS ENRGY NEXIS	PUF	7/88
Public Utility Commission Decisions	ENRGY NEXIS	ALLPUC	
Puerto Rico Legislation (In Engish)	LEGIS	PRALS	1988
Puget Sound Business Journal*	NEXIS	PSBJ	1/85
Pulp & Paper*	NEXIS	PULP	1/89
Pulp & Paper International*	NEXIS	PPINTL	1/89
Pulp & Paper Journal*	NEXIS	PPJNL	1/90

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 15

Title	Library Name	File Name	Coverage From

Q			
Quality Review Bulletin	HEALTH	QRB	1/84
Quick Frozen Foods International*	NEXIS	QKFROZ	1/89
Quotes (Real Time)	QUOTE		
– Quote finder		QF	Current
– Quote saver		QS	Current
– Dow Jones average		DJ	Current
– Standard & Poor's average		SP	Current
– NYSE average		NY	Current
– AMEX average		AM	Current
R			
RQ*	CMPCOM NEXIS	RQ	7/88
Raffensperger, Hughes & Co.	COMPNY INVEST	RPH	11/89
Ragen & Mackenzie	COMPNY INVEST	CHR	7/82
Rauscher Pierce Refsnes	COMPNY INVEST	RPR	11/83

Regardie's The Business of Washington*	NEXIS	REG	2/88
Regional Aviation Weekly	NEXIS TRAN	RAWKY	1/89
Report From Japan	INTNEW NEXIS	RPTJAP	1/89
Research & Development*	NEXIS	RD	1/83
Restaurant Business*	NEXIS	RSTBUS	1/83
Reuter Business Report, The	EUROPE INTNEW NEXIS	BUSRPT	5/87
Reuter Canadian Financial Report, The+	BANKS COMPNY INTNEW NEXIS	CANRPT	1/87
Reuter Financial Report, The+	BANKS EUROPE COMPNY INTNEW MARKET	FINRPT	1/87

Reuter Library Report, The+	NEXIS EUROPE INTNEW NEXIS	LBYRPT	12/81
Reuter Money Report, The+	BANKS EUROPE COMPNY NEXIS	MONRPT	1/87
Reuter News Reports+	MARKET NEXIS	REUTER	4/79
Rhode Island Bill Tracking	LEGIS	RITRCK	12/88
Rhode Island Legislation	LEGIS	RIALS	1989
Richardson Greenshields of Canada, Limited	COMPNY INVEST	RG	9/83
Roach Tilley Grice, Inc.	COMPNY INVEST	N/A	3/87- 9/90
Robert Fleming Inc.	COMPNY INVEST	RFI	11/83
Robert W. Baird & Co. Inc.	COMPNY	RWB	5/90

Robinson-Humphrey Company Inc., The	INVEST COMPNY	RHC	10/89
Rochester Business Journal*	INVEST NEXIS	ROCH	11/87
Roll Call	CMPGN LEGIS NEXIS	ROLLCL	1/89
Romania Country Reports***	REPORT	ROMANI	1/87
Rowan Dartington & Co. Securities Ltd.	COMPNY INVEST	RDT	9/90
S			
S&L Crisis News***	BANKS	S&L	1/90
SEC			
– 10-K Reports	COMPNY	10-K	7/87
– 10-Q Reports	COMPNY	10-Q	7/87
– 20-F Reports	COMPNY	20-F	1989
– Abstracts of Filings**			
– Forms 3 and 4	COMPNY	INSIDE	10/88

– Form 4	COMPNY	INSIDE	10/88
– Form 8-k	COMPNY	EVENTS	10/88
– Forms S-1, S-2, S-3, S-4, S-8 S-11, S-18	COMPNY	REGIS	10/88
– Schedules 13D, 13G, 14D-1, 14D-9 13E-3, 13E-4	COMPNY	ACQUIS	8/87
– News Digest	COMPNY EXEC	SECNEW	6/85
– Proxy Statements	COMPNY	PROXY	7/87
Sacramento Bee, The*	NEXIS	BEE	11/88
Sales & Marketing Management*	MARKET	SMMGMT	1/83
Salomon Brothers Inc.	NEXIS COMPNY INVEST	SB	8/88
San Antonio Business Journal*	NEXIS	SABJ	1/87
San Diego Business Journal*	NEXIS	SDBJ	4/85
San Francisco Business Magazine*	NEXIS	SFBM	4/85
San Francisco Business Times*	NEXIS	SFBT	1/87
San Francisco Chronicle	NEXIS	SFCHRN	10/89
Sanford C. Bernstein & Co.	COMPNY	SCB	3/89

Sanyo Investment Research Ltd.	INVEST COMPNY	SYO	11/84
Sarasota Magazine*	INVEST NEXIS	NEWB	5/85
Saskatchewan Business*	INTNEW	SASK	1/85
Satellite Communications*	NEXIS CMPCOM	SATCOM	1/90
Satellite News*	NEXIS CMPCOM	SATNWS	1/90
Saturday Evening Post*	NEXIS NEXIS	SEPOST	1/83
Saudi Arabia Country Reports***	REPORT	SAUDI	1/87
Scientific American*	NEXIS	SCIAMR	1/83
Scotia Mcleod Inc.	COMPNY	MYW	2/83
Scott & Stringfellow Inc.	INVEST COMPNY INVEST	SCT	9/89

Screen Finance	INTNEW NEXIS	SRNFIN	1/89
Seattle Business*	NEXIS	SEAT	2/86
Seattle Times, The	NEXIS	SEATTM	1/90

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 16

Title	Library Name	File Name	Coverage From
Securities Data Company	COMPNY INVEST	SDC	1/90
Securities Regulation & Law Report	EXEC NEXIS	SECREG	1/82
Securities Week	BANKS NEXIS	SECWK	1/81
Serial Killing Background News***	BACKGR	SERIAL	Current

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Sexually Transmitted Diseases	GENMED	STD	1/83
Shearson Lehman Brothers Holdings, Inc.	COMPNY INVEST	SLH	2/88
Sheppards	COMPNY INVEST	SHE	1/90
Singapore Country Reports***	REPORT	SING	1/87
Small Computers in Libraries*	CMPCOM	CMPLIB	1/88
Smith Barney, Harris Upham & Co. Inc.	NEXIS COMPNY INVEST	SBH	6/82
Smith New Court Securities PLC	COMPNY INVEST	SNC	12/89
Smithsonian	NEXIS	SMTHSN	1/83
Soap-Cosmetic-Chemical Specialties*	NEXIS	SOAP	1/83
Soap Perfumery and Cosmetics*	NEXIS	SPCSM	1/90
Social Security Bulletin*	EXEC	SSBLTN	1/83
Societe Generale Straus Turnbull Securities, Ltd.	NEXIS COMPNY INVEST	STN	9/90
Software Magazine*	CMPCOM	SOFTNW	1/88

South Africa Country Reports***	NEXIS REPORT	SAFRIC	1/87
South Carolina Bill Tracking	LEGIS	SCTRCK	12/90
South Carolina Legislation	LEGIS	SCALS	1990
South Carolina Business Journal*	NEXIS	SCAR	9/85
South Dakota Bill Tracking	LEGIS	SDTRCK	1/90
South Dakota Legislation	LEGIS	SDALS	1989
South Florida Business Journal*	NEXIS	SFLA	1/85
Southern California Business*	NEXIS	SCB	2/85
Southern New Jersey Business Digest*	NEXIS	BDSN	1/85
Southwest Newswire	COMPNY MARKET NEXIS	SWNEWS	2/84
South Korea County Reports**	REPORT	KOREA	1/87
Soviet Press Digest	INTNEW EUROPE NEXIS	SPD	2/90
Spang Robinson Report, The	CMPCOM NEXIS	SRR	1/94

Spain County Reports***	REPORT	SPAIN	1/87
Sporting News, The	NEXIS	TSN	1/89
	SPORTS		
Sports Illustrated	NEXIS	SPORTS	12/81
	SPORTS		
Springfield Business Journal*	NEXIS	SPRN	8/87
St. Louis Business Journal*	NEXIS	SLBJ	5/85
Standard & Poor's			
– Corporate Descriptions	COMPNY	SPDESC	Current
– Daily News	COMPNY	SPNEWS	10/89
– Register			
– Corporations	COMPNY	SPCORP	Current
– Directors and Executives	COMPNY	SPBIO	Current
	PEOPLE		
Standard Industrial Classification Manual	COMPNY	SIC	1987 Edition
States News Service	CMPGN	SNS	8/84
	LEGIS		
	NEXIS		

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Stephens Inc.	COMPNY INVEST	SI	5/87
Stereo Review*	NEXIS	STEREO	1/83
Stock Beech Securities Limited	COMPNY INVEST	STB	4/89
Stuart-James Company Inc., The	COMPNY INVEST	STJ	6/90
Successful Business*	NEXIS	BUTO	6/87
Sun Hung Kai Research Ltd.	COMPNY INVEST	SHK	6/90
Sunset*	NEXIS	SUNSET	1/83
Supermarket Business*	NEXIS	SUPBUS	1/83
Supermarket News*	NEXIS	SUPNWS	1/83
Surgery, Gynecology & Obstetrics	GENMED	SGO	6/82
Survey of Current Business*	NEXIS	SRVBUS	2/83
Sutro & Co.	COMPNY INVEST	STR	6/88
Svenska International PLC	COMPNY INVEST	SVK	10/90
Sweden Country Reports***	REPORT	SWEDEN	1/87
Switzerland Country Reports***	REPORT	SWIT	1/87

Syracuse Business*	NEXIS	SYRA	1/85
Syria Country Reports***	REPORT	SYRIA	1/87
Systems Integration*	CMPCOM NEXIS	SYSINT	1/90
T			
3D*	CMPCOM NEXIS	3D	4/89
TASS (The Telegraph Agency of the Soviet Union)	EUROPE INTNEW NEXIS	TASS	1/87
T H E Journal*	CMPCOM NEXIS	TJRNL	1/88
TPT – Telecommunications Products	CMPCOM NEXIS	TPT	1/88
Taiwan County Reports***	REPORT	TAIWAN	1/87
Tax Adviser, The	NAARS	TAXADV	1987
Tax & Investment Profile	EUROPE REPORT	TAXINV	1/87
Tea and Coffee Trade Journal*	NEXIS	TCTRD	5/90

Technology Review*	NEXIS	TECHRV	1/83
Telecommunications*	CMPCOM NEXIS	TELE	1/88
Telecommuting Review: The Gordon Report*	CMPCOM NEXIS	GORDON	1/90
Teleconnect*	CMPCOM NEXIS	TELCON	1/90
Telephone News*	CMPCOM NEXIS	TELNWS	1/90
Telephony*	CMPCOM NEXIS	TPHNY	1/88

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 17

Title	Library Name	File Name	Coverage From

Tennessee Bill Tracking	LEGIS	TNTRCK	1/89
Tennessee Legislation	LEGIS	TNALS	1989
Texas Bill Tracking	LEGIS	TXTRCK	11/89
Texas Legislation	LEGIS	TXALS	1989
Texas Lawyer, The	LEGNEW NEXIS	TXLAWR	1/90
Texas Secretary of State			
– Corporate Information	COMPNY	TXINC	1860
– Sales and Use Tax	COMPNY	TXSALE	Current
– Uniform Commercial Code	COMPNY	TXUCC	Current
Thailand Country Reports***	REPORT	THAI	1/87
Thomas James Associates, Inc.	COMPNY INVEST	TJA	2/89
Thrift Liquidation Alert	BANKS NEXIS	THRIFT	10/89
Time	NEXIS	TIME	1/81
Times and The Sunday Times, The	EUROPE INTNEW NEXIS	TIMES	1/90
Toledo Business Journal*	NEXIS	TOL	5/87
Tornado Background News***	BACKGR	TORNAD	Current

Toronto Star, The	INTNEW NEXIS	TSTAR	1/90
Transportation & Distribution*	NEXIS	TRANS	1/83
Travel Weekly	NEXIS TRAN	TRVWKY	1/83
TRINET Company Database	COMPNY MARKET	TRICO	Current
TRINET Establishment Database	COMPNY MARKET	TRIEST	Current
Tucker, Anthony & R.L. Day, Inc.	COMPNY INVEST	TAD	10/85
Tulsa Business Chronicle*	NEXIS	TBC	2/85
Tulsa World*	NEXIS	TULS	2/88
Turkey Country Reports***	REPORT	TURKEY	1/87
U			
UBS Phillips & Drew Ltd.	COMPNY INVEST	PDI	5/84
UN Chronicle	NEXIS	UNCHRN	1/83

	EXEC		
UNESCO Courier*	NEXIS	UNESCO	1/83
United Arab Emirates	REPORT	UNARAB	1/87
Country Reports***			
United Kingdom Country Reports***	REPORT	UK	1/87
United States Country Reports***	REPORT	USA	1/87
Uruguay Country Reports***	REPORT	URUGUA	1/87
UNIX Review*	CMPCOM	UNIX	1/88
	NEXIS		
U.S. Distribution Journal*	NEXIS	USDIST	1/89
U.S. Department of State Dispatch	EXEC	DSPTCH	9/90
U.S. News & World Report	NEXIS	USNEWS	1/85
U.S. Newswire	CMPGN	USNWR	1/90
	EXEC		
	LEGIS		
	NEXIS		
U.S. Supreme Court Case List	GENFED	USLIST	Current
	LEGNEW		
U.S.S.R. Country Reports***	REPORT	USSR	1/87

USA Today	NEXIS	USATDY	1/89
USA Weekend	NEXIS	USAWKD	1/89
Union Bank of Switzerland	COMPNY INVEST	UBS	9/82
United Press International	NEXIS	UPI	9/90
United Press International State and Regional Wires	NEXIS	UPSTAT	11/80 to 12/89
		UPST90	1/90
United States Banker	BANKS NEXIS	USBANK	1/83
United States Code Service	EXEC LEGIS	USCODE	Current
United States Law Week	LEGNEW NEXIS	USLW	7/82
United States Law Week Daily	LEGNEW NEXIS	USLWD	6/87
United States Public Laws	EXEC	PUBLAW	100th

Universal News Services	INTNEW MARKET NEXIS	UNS	10/86
Utah Bill Tracking	LEGIS	UTTRCK	1/90
Utah Legislation	LEGIS	UTALS	1989
V			
Van Kasper & Company	COMPNY INVEST	VNK	4/84
Venezuela Country Reports***	REPORT	VENEZ	1/87
Vereins-und Westbank AG	COMPNY INVEST	VWB	10/89
Vermont Bill Tracking	LEGIS	VTTRCK	1/89
Vermont Legislation	LEGIS	VTALS	1990
Vermont Business Magazine*	NEXIS	VBW	1/86
Vickers Institutional Holdings	COMPNY	VICINS	Current
Vickers Securities Reports	COMPNY	VICSEC	Current
Video Market News*	MARKET NEXIS	VIDMKT	1/90
Virgin Islands Legislation (Slip laws)	LEGIS	VIALS	1989
Virginia Bill Tracking	LEGIS	VATRCK	1/90

Virginia Legislation (Slip laws)	LEGIS	VAALS	1989
W			
W.I. Carr Limited	COMPNY INVEST	WIC	4/90
WIS Country Data Forecasts	EUROPE REPORT	WISFOR	Current
WIS Country Outlooks	EUROPE REPORT	WISOUT	1/90
WIS Country Risk Monitor	EUROPE REPORT	WISMON	Current
Wall Street Computer Review*	CMPCOM NEXIS	WSCMP	1/88
Wall Street Journal** (abstracts)	NEXIS	WSJ	5/73
Ward's Auto World*	NEXIS	WARDS	1/83
Warsaw Voice, The	EUROPE INTNEW NEXIS	WRSAWV	9/90

Washington State Bill Tracking	LEGIS	WATRCK	2/90
Washington State Legislation (Slip laws)	LEGIS	WAALS	1989
Washington Business Journal*	NEXIS	WBJ	1/85
Washington Monthly*	EXEC	WSHMTH	7/85
	NEXIS		

*Selected full text **Abstracts ***Selected documents +Not available to all customers

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ALPHABETICAL LIST 18

Title	Library Name	File Name	Coverage From
Washington Post, The	EXEC	WPOST	1/77
	INTNEW		
	LEGIS		
	NEXIS		
Washington Post Biographical Stories, The	CMPGN	WPBIO	1/89
	EXEC		
	NEXIS		

Washington Quarterly, The	PEOPLE EXEC	WASHQR	Winter 1982
Washington Times, The	EXEC INTNEW LEGIS NEXIS	WTIMES	7/89
Wedbush Morgan Securities, Inc.	COMPNY INVEST	WDM	9/89
Weekly of Business Aviation,™ The	NEXIS TRAN	WBA	1/89
Wertheim Schroder & Company	COMPNY INVEST	WRS	2/89
West Germany Country Reports***	REPORT	WGER	1/87
West Virginia Bill Tracking	LEGIS	WVTRCK	1/90
West Virginia Legislation (Slip laws)	LEGIS	WVALS	1990
Westchester County Business* Journal, The	NEXIS	WNYB	11/87
Wheat First Butcher & Singer, Inc.	COMPNY INVEST	BUS	6/83
Which Computer?*	CMPCOM	WHCMP	1/89

	NEXIS		
Whole Earth Review*	NEXIS	ERTHRV	5/85
Wichita Business*	NEXIS	WICH	3/85
Wichita Business Journal*	NEXIS	WKBJ	11/87
William Blair & Company, Inc.	COMPNY INVEST	WBC	3/90
Wisconsin Bill Tracking	LEGIS	WITRCK	1/89
Wisconsin Legislation (Slip laws)	LEGIS	WIALS	1987
Wisconsin Secretary of State Corporate & Limited Partnership Information	COMPNY	WISOS	1841
Woman Inc.*	NEXIS	WINC	9/87
Woman of the Times*	NEXIS	WOTT	10/87
Women's Wear Daily*	NEXIS	WWEAR	1/83
Wood World*	NEXIS	WWOOD	1/90
Working Woman*	NEXIS	WWOMAN	1/83
World Accounting Report	BANKNG INTNEW	WAR	1/89

World Corporate Insurance Report	NEXIS INSURE INTNEW	WCINSR	1/89
World Factbook, The	NEXIS EUROPE REPORT	WOFACT	1990
World Financial Markets	BANKING BANKS NEXIS	WLDFIN	1/82
World Insurance Report	INSURE INTNEW BANKS NEXIS	WLDINS	1/88
World Oil*	ENRGY NEXIS	WLDOIL	1/89
World Policy Guide	INSURE INTNEW NEXIS	WPG	1/89

Exhibit 49

World Tax Report	INTNEW BANKS NEXIS	WLDTAX	1/88
WorldPaper	NEXIS	WPAPER	1/83
Wyoming bill tracking	LEGIS	WYTRCK	2/90
Wyoming Legislation (Slip laws)	LEGIS	WYALS	1989
X			
Xinhua (New China) News Agency	INTNEW NEXIS	XINHUA	1/77
Y			
Yamaichi Research Institute of Securities & Economics, Inc.	COMPNY INVEST	YAM	10/82
Yugoslavia Country Reports***	REPORT	YUGO	1/87
Z			
Zacks Investment Research, Inc.	COMPNY	EARN	Current

*Selected full text **Abstracts ***Selected documents +Not available to all customers

Exhibit 49

Exhibit 49

LEXIS/NEXIS Promotional Materials

M003220

LEXIS·NEXIS

What is LEXIS®/NEXIS®?

It's a set of electronic libraries. In fact, it's the world's most comprehensive collection of legal, news and business information sources that you access through your PC, laptop or terminal.

It's easy and quick. You find the information you want using simple commands in plain English, not complicated computer jargon. In a matter of seconds, the information you request will appear on your computer screen.

What Does It Do For You?

It saves you time and money. When you consider the costs of collecting, storing and archiving trade publications, newspapers, reference data and case law — or the time spent to search hardcopy libraries — the LEXIS/NEXIS services are quite affordable. You spend your time using information, not looking for it.

It helps you better serve your clients. The LEXIS/NEXIS services can help you stay abreast of your clients' operations in a specific country or worldwide by providing financial information, officer and director names, recent and continuing updates on news stories and press releases, and names of other organisations doing business with your clients as well as lawsuits involving your clients.

Exhibit 49

What Is It Made Of?

News sources: Hundreds of international, national and regional publications, such as *The New York Times*, Associated Press, Reuters, *Financial Times (of London)*, *Le Monde* and the *Financial Post*.

Trade publications: Respected sources such as *BNA International Dailies, E.I.U.*, and *East European Business Law*.

Financial reports: In-depth reports and financials on companies and industries from Investext®, Disclosure®, Extel and CanCorp Plus.

Legal material: Case law and various legal documents from the U.S., Canada, Europe, Australia and other world regions. Also available is the North American Free Trade Agreement and exclusive treaty material from OCEANA.

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EXHIBIT 50 — GPO PROMOTIONAL MATERIALS (U001454); UMI INTEROFFICE MEMOS (U007749-U007750)

U001454

GENERAL PERIODICALS

ONDISC

Full-Text Information from General-Reference Sources

General Periodicals Ondisc (GPO) provides exact reproductions of articles in image format from approximately 200 of the most frequently used general-interest periodicals. With a few keystrokes, users can search UMI's Periodical Abstracts index database, calling up citations and abstracts for articles relevant to the search topic, then view and print laser copies of selected articles.

GPO comprises three major components:

- **Periodical Abstracts Ondisc database** — bibliographic citations and abstracts for articles from 450 general-interest periodicals (950 by the end of 1991)

- **General Periodicals Ondisc database** — a full-text CD-ROM collection containing articles from approximately 200 of the titles indexed in the Periodical Abstracts database

- **ProQuest 3000 series workstation** — a state-of-the-art system including all hardware and software needed to search for and retrieve articles

Exhibit 50

COVERAGE

General Periodicals Ondisc features cover-to-cover reproduction of approximately 200 of the most requested general-interest periodicals, January 1989 forward. Your initial subscription will include over 200 discs (about 80 of them supplied in the first shipment); every year we add about 70 discs, each of which contains over 4,000 pages. GPO and its companion database Periodical Abstracts will help you locate and retrieve information about:

arts	commentary
consumer issues	education
literary reviews	lifestyles
business	computers
current events	health
politics	science

. . . and much more.

FREQUENCY

Periodical Abstracts Ondisc and General Periodicals Ondisc are updated monthly, concurrent with one another to ensure corresponding coverage between databases.

ACCESS

General Periodicals Ondisc combines the ease of use and versatility of UMI's ProQuest search software with full-text capability, allowing researchers to quickly identify and retrieve articles of interest. Users search the abstract-and-index database, locating and reviewing relevant citations and abstracts, then retrieve and print complete article copies from the image database — all with just a few keystrokes. The

system's Periodical Directory can also be used to retrieve articles directly when the user already has a specific citation.

SUBSCRIPTION

A 12-month subscription includes both databases, plus:

- image retrieval and output workstation
- all system and application software
- connector for debit card reader or coin box*
- disc storage carousels
- online help
- user's guide and other documentation
- installation and technical guide
- keyboard template
- quick-reference card
- complete installation *and* service. Your routine and emergency service needs will be met, at NO additional charge, by a nationwide network of trained field service representatives

GENERAL PERIODICALS ONDISC. . . THE PROQUEST SYSTEM FOR ONE-STOP SEARCH AND RETRIEVAL OF GENERAL-REFERENCE PERIODICALS

* Debit card reader or coin box must be provided by subscriber.

Portions of UMI search software are copyrighted by TMS, Inc.

ProQuest is a trademark of UMI.

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Exhibit 50

U007749

UMI INTEROFFICE MEMO

To: Blake Ratcliffe
From: Peggi Clark
Date: July 6, 1993
Subject: Copyright Issues

When I recently attended the Association of American University Presses conference, a major point of discussion was, "who owns copyright to faculty produced articles, the author or the university". The general consensus, from both the university and legal communities, was that the authors of intellectual expression own their own work. There is a whole new consciousness as to what copyright means and where it goes.

University presses and other publishers (i.e., National Geographic) who do not own all the articles/photographs contained within their publications cannot participate with vendors such as UMI due to their copyright concerns. It appears that it would be in our best interest to begin pursuing rights directly from authors/photographers in addition to our standard procedure of soliciting rights from the journal publisher. Attempting to secure rights at the author level would mean a major overhaul of our current process but it seems that in order to continue providing the quality products that customers expect from UMI we must find a way to deliver all of the information available in any given subject area. Presently, we cannot provide access to much of the relevant material being written due to our inability to obtain rights through our publisher contacts.

Exhibit 50

We have already begun suggesting to publishers that the contractual language in their arrangements with contributing authors/photographers should be worded so that further distribution, in any format, is covered. This will help a great deal, but will still not provide us with access to all other copyrighted material — perhaps, by executing an author agreement (when necessary) on behalf of UMI, we could get at material not presently available to us.

cc: D. Billick
P. Malcolm
R. Noble
J. Riedel
N. Smith
K. Tillman

Exhibit 50

U007750

UMI INTEROFFICE MEMO

To: Ken Tillman
From: Peggi Clark
Date: April 19, 1993
Subject: Publisher reprint concerns

I have received a letter from the National Geographic Society (copy attached) stating the possibility that they may not be renewing our electronic distribution agreement when the term is up, due to legal concerns regarding copyright. Since this is a subject we have been discussing at length recently, I felt it would be helpful to note that the problem has developed to a point that it is now placing our agreements with top publishers in jeopardy. While the Society has not terminated, there is a definite possibility they will hold off in renewing at the end of the term in June if their contractual arrangements with contributors are not changed to accommodate electronic distribution. Paul Tylor is working very hard to preserve the arrangement between UMI and the Society but over the last month or so has found that he may be fighting a losing battle. As this issue arises with other publishers we may find we do not have this kind of support in holding off termination.

cc: B. Ratcliffe
P. Malcolm
R. Noble

TRANSCRIPT OF ORAL ARGUMENT, OCTOBER 17, 1996, pp. 1, 6-8, 14, 24-25, 39-43, 48, 51-53, 56, 65-68, 78

Conference

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, et al.

Plaintiffs,

v.

THE NEW YORK TIMES CO., et al.,

Defendants.

October 17, 1996
3:30 p.m.

Before:

HON. SONIA SOTOMAYOR,

District Judge

Transcript of Oral Argument

APPEARANCES

EMILY M. BASS
Attorney for Plaintiffs

DEBEVOISE & PLIMPTON
Attorneys for Defendants
BY: BRUCE P. KELLER
LORIN REISNER

* * *

[6] THE COURT:

Let's follow that argument down, Mr. Keller.

Let's start from the beginning.

Do you concede that an author who gives an article to a newspaper like the New York Times, and I know Newsday and others are implicated here, but for the sake of argument today, I'm grouping the three. For the New York Times, that author retains the right-to take that article and have it published in a different methodology if he chose to.

MR. KELLER: Absolutely. In fact, your Honor, there is testimony in the record that every single one of the plaintiffs did that.

THE COURT: They retained that right?

MR. KELLER: Absolutely.

Transcript of Oral Argument

THE COURT: Could they, if they chose, sell their individual article to Nexis?

MR. KELLER: Yes, they could.

THE COURT: If Nexis had an interest?

MR. KELLER: Yes, they could, your Honor.

* * *

[7] * * *

THE COURT: Let me continue with the logic. Is computer database entitled to copyright protection?

Can Nexis stop other people from taking its database?

MR. KELLER: Under very many circumstances of course, yes.

THE COURT: All right. So that database has elements that are protected under the copyright law?

MR. KELLER: Yes. But your Honor I think I see [8] where you are headed. I think —

* * *

Transcript of Oral Argument

[14] * * *

. . . take your point about contracts, but let's start with the fact that there are no contracts here.

THE COURT: I agree.

MR. KELLER: Congress said, look, how are we going to treat the relationship between contributors to periodicals and the periodical publishers in the absence of an express agreement. This happens so often that we need to create an automatic default mechanism. They did that in 201(c).

* * *

[24] * * *

MR. KELLER:

* * *

Let me come back to something we got off of, and that's the breadth of the definition of "any revision." It is very clear from the legislative history that this was a point on which many people were focused. They decided that any revision includes the right to remove up to 50 percent or more of the original material that appeared in the collective work. That's right in the legislative history.

There's a couple of places in the legislative [25] history where the people who were involved in negotiating what the scope of the 201(c) compromise would be talked about taking

things out, adding new things, rearranging contributions. That is what is done with respect to each of the media here . . . .

* * *

[39] * * *

MS. BASS:

* * *

[40] It is in fact on the basis of that digital electronic image of the collective work that the paper is printed. Not, as the defendants have said many, many, many times on the basis of the original computer text files that are processed and sent to Nexis. As soon as the composing room transmits the digital or electronic image of the collective work to the printing plant so that the paper can be produced, what do the publishers do? They disregard every embodiment of the collective work. They're no longer interested in the collective work because in point of fact once it's out on the street and once it has been on sale for 24 hours on the street, the collective work really has no economic value to that.

* * *

THE COURT: Let's take a break. You're still not leading me to microfilm and why that's different.

(Recess)

MS. BASS: I will try to get right to the point, your Honor, with respect to the microfilm.

THE COURT: Don't worry. I have plenty of other questions. We're not quite finished yet, but I am most interested in the microfilm and how analytically you draw a distinction between that and the CD-ROM imaging.

[41] MS. BASS: Let me say two things about that, your Honor.

First of all, the decision not to sue for infringement based on the fact that they create microfilm copies of the New York Times was really a decision that was made as a practical matter because there was a feeling among the plaintiffs that this was something that in effect was prepared for research libraries and was not something that was tremendously profitable and would deprive them of real economic opportunities. So it was more a practical decision not to sue for copyright infringement on that ground.

But let me get to the conceptual question that your Honor has asked because I do think that it is possible, and I believe that I have conceded this to opposing counsel previously, that I think it's possible that the right to make microfilm editions of a publication or a periodical is encompassed by the 201(c) privilege.

The distinction that I draw is this, your Honor: When you make a microfilm edition of the New York Times or a microfilm copy of the New York Times, what you are doing is reproducing and distributing the entire collective work and

everything in the collective work, and you are only reproducing and distributing individual contributions as part of that collective work and not as separate and apart from it. So I believe that it is possible that, although I [42] don't find any discussion —

THE COURT: My problem with that concession, because that accepts his argument that reproduction and distribution is governed by the definition of copies, is how do you then distinguish, not the ASCII CD-ROM, but for lack of a better description —

MR. KELLER: The image based?

THE COURT: The image based. What you see is the newspaper as a collective whole.

MS. BASS: Let me say several things about that, your Honor. First of all, I don't concede that the word "copies" appears anywhere in Section 201(c). But let's put that aside for the moment. I do believe that when you create a microfilm edition that you are reproducing and distributing the entire collective work and individual distributions only as part of the collective work.

The distinction that I make between microfilm, which I think may be encompassed by the 201(c) privilege in conjunction with the privilege that is set forth in section 109, I believe it's (d), your Honor, is that it's clear —

THE COURT: 109(d) is the library exception.

Transcript of Oral Argument

MS. BASS: No. 109(d) relates to the privilege.

MR. KELLER: The first sale doctrine, your Honor.

THE COURT: OK.

MS. BASS: The privilege that the owner of a [43] copyrighted work has to display that one work to those people in the immediate presence of the work. So I think that between 201(c), which might give them the right to reproduce and distribute, and 109(d), which would, I believe, give them the right to display the microfilm to the person sitting immediately in front of it, I do distinguish between that and the creation of image product CD-ROMs.

* * *

[48] * * *

If you only had a pure image product that was created by a process of scanning an entire edition of the New York Times and placing an image of the entire New York Times on a CD-ROM disk and then displaying that disk as provided for under 109(c), then I might agree that that was analogous to a microfilm process.

* * *

[51] MS. BASS: So that I would agree if we had a CD-ROM that didn't have the text-only half of the database or CD-ROM product, but was a pure image CD-ROM product and it were lawfully made, which they have the burden of

proving under the act, and it were displayed in the limited fashion provided for under 109(c), which provides that it can only be displayed one image at a time to viewers present at the place, I would say, yes, that image-only or pure-image CD-ROM product would, like a microfilm product, probably not be a violation of the contribution author's works.

But that's not what we have in this case.

THE COURT: I have to tell you that I am not at all convinced that you've really explained to me in reading 109(c) the display right it is giving is to take the copy, the lawfully made copy and to have the copy and the viewer in the same place, but project the copy on a screen. I think this was the sort of situation where a teacher has an article and has it with them and they want somebody in the audience to see the graph. That is what this reads like.

If one reads it, it says the copy and the viewer must be present in the same location. So I'm still not sure how microfilm has an exception in law. Because microfilm does not have the copy present in the same — I mean, there are some libraries in which the microfilm and the copy of the newspaper are present, but that's the rarity. Most [52] libraries use microfilm because it is an alternative storage mechanism.

MR. KELLER: Your Honor —

THE COURT: Let Ms. Bass finish, Mr. Keller. She was more than patient when you were talking. You have to give her the same courtesy. I am sure there were ample times

when she wanted to get up and dispute something you were saying and she didn't.

Go ahead.

MS. BASS: I would agree with your Honor that they have the right under 201(c) and 109(c) to take plaintiff's work without their permission and put it in a microfilm. But conceptually I'm not sure what the answer is.

I can see that there might be a distinction or might be an argument under those two provisions why they might be entitled to do that. But even if they're entitled to do that, they are clearly not entitled to put the individual articles on line on Nexis. They are clearly not entitled to put the individual articles and incorporate them into the CD-ROM ASCII text-only database, and I believe that they are clearly not entitled to put the individual articles, to incorporate those individual articles into the text-only part of the General Periodicals on Disk database.

[53] * * *

They keep on saying, your Honor, that 201(c) gives them the right to reproduce and distribute copies of contributions. It does not. They continue to try to delete from the act the very critical words that they can only reproduce and distribute as part of the collective work, as part of that collective work, a revision of that collective work or a subsequent collective work in the same series.

* * *

Transcript of Oral Argument

[56] * * *

THE COURT: Could I have one or more of you, that is, the side who has greatest access to this, I have Nexis on computer so I have access to it. Could someone get me the two CD-ROMs, not to give me to keep, but give me as court exhibits the two examples of the two CD-ROM mechanisms so that I can use my —

MR. KELLER: We will arrange for that, your Honor.

* * *

[65] MR. KELLER:

* * *

If, as your Honor suggests, somehow because an individual user can go to a particular article — there are two responses: First, that is also true whatever the medium. It has always been true that with the Reader's Guide. An index is published by the New York Times since the early 1900s, and, indeed, in every week's issue of Sports Illustrated, one can use the table of contents. Any of these things allow you to go to one particular article and use it and read it and copy it.

THE COURT: No, counsel. They permit you to go [66] to that collective work. They permit you to go to the book; they permit you to go to the newspaper. Those indexes or digests permit you to go to the work. Here, you are purposely recasting, transforming the work into a computer format and

not making the viewer go to the collective work. You are letting him or her use the individual articles. That's their argument.

MR. KELLER: Yes, it is. We don't deny that it's possible to do that. That's not worth denying. It's obviously possible to do that . . . .

* * *

[67] * * *

Yes, you can get an individual article, but also undisputed is that you can get the rest of the collective work if that's the type of research that you are doing.

* * *

THE COURT: I don't know anyone who does research merely by accessing the New York Times as such. They do the New York Times and a subtopic, whether it is a country, an author, a subject matter, an animal, color, thing or flavor. It is not the New York Times that they are accessing or a particular date except in some very unusual circumstances. It is a topic.

[68] MR. KELLER: There is no question about that, your Honor.

* * *

Transcript of Oral Argument

[78] MS. BASS: . . . We have not made end users parties to this litigation. We have not claimed that any end users have engaged in acts of direct infringement, and we have not in fact claimed that either the publisher defendants or the database defendants are guilty of contributory or vicarious liability with respect to direct infringement committed by end users.

THE COURT: With respect to end user infringement, you are talking about infringement merely in the act of —

MS. BASS: Placing it on line, making it available on line, and the act, precisely because it says that copies can appear in all media, and when you reproduce and distribute a copy, even if it's on glass, even if it's in plastic, even if it's in a computer server, if it's an electronic file, that can be an act of infringement. You can have acts of infringement created by virtue of creating machine readable copies of something.

* * * *

TRANSCRIPT OF CD-ROM DEMONSTRATION AND ARGUMENT, DECEMBER 10, 1996, pp. 1, 33-35

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, et al.

Plaintiffs,

v.

THE NEW YORK TIMES, et al.,

Defendants.

December 10, 1996
3:10 p.m.

Before:

HON. SONIA SOTOMAYOR,

District Judge

APPEARANCES

EMILY M. BASS
Attorney for Plaintiffs

DEBEVOISE & PLIMPTON
Attorneys for Defendants
BY: LORIN L. REISNER

Transcript of CD-ROM Demonstration and Argument

Also Present:
Douglas Yoon and Glenn Williams, Technical Experts/ Consultants for plaintiffs;
Dan Arbour, Vice-president of Marketing, UMI; and
Michael Hoover, Advanced Applications Representative, UMI

* * *

[33] * * *

MS. BASS: One concern I have, your Honor, and I guess I wanted to preface my remarks and the small demonstration that we will have for the court as well by a couple of more general comments. My feeling is that the United States Supreme Court has made a very, very clear distinction that the defendants have ignored in terms of this demonstration, and that's a distinction between creating and distributing infringing works and making and selling machines or equipment that can be used by others to infringe works.

It seems to me that the United States Supreme Court has very clearly said that where the charge or the [34] claim is that somebody is selling a machine that can be used by others to infringe works, then the analysis that you go through is whether the machine is capable of substantial non-infringing uses. And if it is, then the court has quite clearly said that the machine cannot be made the basis or won't be made the basis of a claim of contributory infringement.

And it seems to me that, to some extent, they have fashioned their demonstration in an effort to say to the court,

look at our machinery, look at the fact that our equipment can be used both for infringing uses and perhaps some non-infringing uses as well, and given the fact that it can be used for some non-infringing uses, the court should ala the principles in Sony v. Universal City Studios, excuse the fact that we also have committed infringements of the plaintiff's works.

And one of the things that I wanted to make clear from our perspective ~~is~~ what we are complaining about and what we aren't complaining about. This is not a case in which we have accused the defendants, and specifically not a case in which we have accused UMI, of manufacturing or distributing machines or equipment that can be used by third parties in an infringing way. Therefore, that line of reasoning in Sony is totally inapplicable to the case.

* * *

[35] * * *

What our claim specifically is is that these disks infringe plaintiff's rights, that they have created and are distributing works that infringe plaintiff's rights. And the only way to properly analyze that, we believe, is to actually look at each of the three CD-ROMs that they manufacture to see whether it does infringe plaintiff's rights, to see whether in fact on each of these CD-ROMs there is an infringing reproduction of plaintiff's works.

* * * *

PLAINTIFFS' EXHIBIT — NYTO DISK

[N.B.: This item is not included in the Joint Appendix, but is available to the Court as part of item #52 in the District Court record.]

PLAINTIFFS' EXHIBIT —
GPO DISK/TEXT-ONLY DISK

[N.B.: This item is not included in the Joint Appendix, but is available to the Court as part of item #52 in the District Court record.]

PLAINTIFFS' EXHIBIT —
GPO DISK/IMAGE-BASED DISK

[N.B.: This item is not included in the Joint Appendix, but is available to the Court as part of item #52 in the District Court record.]

EXHIBIT B-1 — DECLARATION OF CHRISTOPHER HUNT, DATED MARCH 14, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF CHRISTOPHER HUNT

CHRISTOPHER HUNT hereby declares as follows:

1. I am Articles Editor of *Sports Illustrated*, a well-known and widely-read weekly magazine published by Time Inc. ("Time"). I have held this position since 1989.

2. My responsibilities include, among others, regularly assigning in-house and freelance writers to prepare and submit articles for publication in *Sports Illustrated*. Accordingly, I have had substantial contact with freelance writers who submit articles to *Sports Illustrated*.

Exhibit B-1

3. Although the manner in which articles written by freelance writers are selected for publication in *Sports Illustrated* can vary, the usual process has been well-established for many years. The decision as to who will work on a particular article is made by the Managing Editor and an editor with responsibility for a particular section of the magazine or a particular subject matter. If they decide that a freelance writer will be used for a particular piece, the editor will contact one or a number of freelance writers to describe the subject matter of the proposed article and to determine the writer's level of interest. Once it is determined that the freelance writer is interested in preparing the article for publication, the assignment is awarded. In addition, *Sports Illustrated* frequently publishes freelance writers' stories the ideas for which were suggested by those writers.

4. At all times relevant to this action, virtually all freelance assignments for *Sports Illustrated* were, and for many years had been, awarded and completed pursuant to a standard written agreement between the freelance writer and *Sports Illustrated*. The standard agreement referred to, among other terms, the topic and length of the article, as well as the date on which it was due and the price to be paid.

5. In some cases, as in the case of plaintiff David S. Whitford's article "Glory Amid Grief," we have engaged in some negotiation over various rights. In Mr. Whitford's case, he did not object to our standard language concerning first publication rights. He did, however, object to our standard language granting *Sports Illustrated* the right to syndicate, or to license, to other publications the right to republish his article, and sought to retain such rights for himself.

Exhibit B-1

Accordingly, we modified our standard contract so that both Mr. Whitford and *Sports Illustrated* could license such republication rights.

6. I am unaware of any instance in which *Sports Illustrated* has agreed, or would agree, to limit the exercise of its right to publish an article solely to the paper edition of the magazine. Certainly, Mr. Whitford never attempted to impose such a limitation. Moreover, such an agreement would be inconsistent with our longstanding practice and policy of making *Sports Illustrated* available in a variety of formats, including paper, microfilm and/or microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
March 14, 1996

s/ Christopher Hunt
CHRISTOPHER HUNT

EXHIBIT B-2 — DECLARATION OF ROBERT KEANE, DATED MARCH 14, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, DAVID S. WHITFORD and H. BRUCE FRANKLIN

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE ATLANTIC MONTHLY COMPANY, THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF ROBERT KEANE

Robert Keane hereby declares as follows:

1. I am Assistant Managing Editor of Newsday, Inc. ("Newsday"), which publishes the well-known and widely-read daily newspaper *Newsday*.[1] I have held my current

1. Newsday also published the well-known and widely-read daily newspaper *New York Newsday* between 1984 and 1995. *New York Newsday* ceased publication on July 16, 1995.

position since 1991. Prior to assuming my present position, I held a number of positions at Newsday, including Assistant Managing Editor of *New York Newsday*. I have been employed by Newsday since 1984.

2. While employed by Newsday, my responsibilities have included, among others, regularly overseeing the assignment to writers — including freelance writers with or without contracts and in-house writers — to prepare and submit articles for publication in *Newsday*. Accordingly, for the past five years I have had substantial contact with freelance writers who have submitted articles to *Newsday*; for four-to-five years before that, I worked frequently with freelance writers at another newspaper.

3. The manner in which articles written by freelance writers are selected for publication in *Newsday* has varied over the years. The usual process, however, applicable to most freelance writers, has been well-established for many years, including all times relevant to this action. The decision as to who will work on a particular article is made by an editor with responsibility for the particular section of the newspaper or for the particular subject matter. If an editor decides that a freelance writer will be used for a particular piece, he or she generally will contact one or more freelance writers to describe the proposed article and to determine the writers' level of interest. Once it is determined that a freelance writer is interested in preparing the article for publication, further discussions usually take place. On occasion, a freelance writer will submit an unsolicited article to Newsday for publication in *Newsday*.

Exhibit B-2

4. Most freelance assignments for *Newsday* have been undertaken and completed without any written agreement. The editor and the freelance writer usually discuss the topic and the proposed length of the article, as well as the deadline for the article. There also may be discussions concerning the size of the fee to be paid to the freelance writer.

5. Freelance writers have, on occasion, negotiated and entered into written agreements with Newsday in connection with articles submitted for publication. Freelance writers with written agreements most often are individuals who contribute to *Newsday* on a weekly, bi-weekly or some other regular basis. Certain freelance writers who have regular responsibility for specific topics (*e.g.*, Kathy Wollard, who writes the "How Come?" science column for children, and John Hanc, who writes a running column), also may have written contracts expressly governing their relationship with Newsday.

6. Most freelance assignments for *Newsday* have been undertaken and completed without any written agreement, as I understand was the case with respect to the articles at issue in this action written by plaintiffs Jonathan Tasini, Barbara Garson, Sonia Jaffe Robbins and David S. Whitford. Regardless of whether a written agreement is entered into, Newsday's practice and policy is, and at all times relevant to this action was, to acquire from freelance writers the right to publish all *Newsday* articles in a variety of media.

7. Newsday has, and at all times relevant to this action had, a firm and unambiguous policy of publishing all of its issues in electronic media. Accordingly, since 1989 Newsday

has included a printed endorsement on the backs of all checks paid to freelance writers, including plaintiffs, for their articles. The endorsement reads:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

8. This endorsement expressly confirms Newsday's understanding of the scope of the rights it acquires from freelance writers, including the rights acquired from Tasini for the articles entitled "Striking Miners Dig In for Sit-In at Pittston Plant", "Labor Unions Fine-Tune Battle Strategies", "Proposed Teamsters Election Rules Spark Criticism from Dissidents", "Perestroika for Teamsters?", "Say Adios to American Jobs" and "A Union Boss' Labor Pains"; the rights acquired from Robbins for the article entitled "I Say Legal, They Say Dirty"; the rights acquired from Garson for the articles entitled "Health Care vs. Death Care", "The Common Good Is Swept Aside By the 'Me Generation' ", "In 'JFK' We Feel the Pull of Our Lost Innocence" and "Networks That Serve the Unconnected"; and the rights acquired from Whitford for the article entitled "Baseball, A Business, Is Striking Out".

9. Although Mr. Tasini evidently altered the printed endorsements on the backs of checks paid to him for his articles "Labor Unions Fine-Tune Battle Strategies",

Exhibit B-2

"Perestroika for Teamsters?", "Say Adios to American Jobs" and "A Union Boss' Labor Pains," no one at Newsday became aware of these alterations until long after Tasini had been paid and the articles had been published.

10. For many years, issues of *Newsday* have been reproduced and distributed in variety of formats, and are now available on paper and microfilm and in the LEXIS/NEXIS ("NEXIS") computerized library of periodicals. *Newsday* has been available on paper since 1940.

11. Each daily issue of *Newsday*, going back to approximately the 1970's, is available on microfilm and has been for approximately twenty years.

12. Each daily issue of *Newsday*, going back to approximately 1988, is available in the NEXIS computerized library of periodicals, and has been since approximately 1988.

13. Since approximately 1988, Newsday has provided to NEXIS the full text of all of the articles in each daily issue of *Newsday* by electronically transmitting to NEXIS on a daily basis a complete copy of the same computer text-files the printers use to create that day's paper edition of *Newsday*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that day's issue of the newspaper, as well as headlines, photograph captions and by-lines, and page and section references.

14. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety

Exhibit B-2

the complete, identical textual content of all of the articles that appeared in the paper edition of a particular issue of *Newsday*.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
March 14, 1996

s/ Robert Keane
ROBERT KEANE

EXHIBIT B-3 — DECLARATION OF LANY MCDONALD, DATED MARCH 13, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF LANY MCDONALD

LANY MCDONALD hereby declares as follows:

1. I am the Director of the Time Inc. ("Time") Library, a position I have held since approximately July 1993. Prior to assuming my present position, I was Deputy Chief Librarian.

2. My responsibilities include, among others, overseeing the process by which *Sports Illustrated* ultimately is

distributed in various formats, such as microfilm and/or microfiche, LEXIS/NEXIS ("NEXIS") and CD-ROM.

3. For many years, issues of *Sports Illustrated* have been reproduced and distributed in a variety of formats, and are now available on paper, microfilm and/or microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals. *Sports Illustrated* has been available on paper since 1954.

4. Each weekly issue of *Sports Illustrated*, going back to approximately August 1954, is available on microfilm and/or microfiche. The creation of these microfilm or microfiche editions began in approximately 1961.

5. Each weekly issue of *Sports Illustrated*, going back to approximately December 1981, is available in the NEXIS computerized library of periodicals. Each issue has been available through NEXIS since approximately 1982.

6. Although I understand the availability of *Sports Illustrated* on CD-ROM is not an issue directly raised by this action, each weekly issue of *Sports Illustrated*, going back to January 11, 1988, is available on UMI CD-ROM products. These products have been available since approximately August 1990.

7. Time provides, and at all times relevant to this action provided, the full text of all of the articles in each weekly edition of *Sports Illustrated* to NEXIS on a weekly basis by delivering to NEXIS a complete copy of the same computer text-files the printers used to create that week's paper edition

Exhibit B-3

of *Sports Illustrated*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that week's edition of the magazine, as well as titles, photograph captions, by-lines and page references.

8. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety the complete, identical textual content of all of the articles that appeared in the paper edition of a particular weekly issue of *Sports Illustrated*.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
March 13, 1996

s/ Lany McDonald
LANY MCDONALD

EXHIBIT B-4 — DECLARATION OF JAMES E. PATTERSON, DATED MARCH 14, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF JAMES E. PATTERSON

JAMES E. PATTERSON hereby declares as follows:

1. I am Vice-President of Information Services for the The New York Times Company ("Times Co."), which publishes the well-known and widely-read daily newspaper *The New York Times* and weekly magazines *The New York Times Magazine* and *The New York Times Book Review*. I have held this position since 1994. Prior to assuming my present position, I held a number of positions at Times Co., including Director of Index Operations, which I held from

1989 through 1993. I have been employed by Times Co. since 1978.

2. As Vice-President of Information Services, my primary responsibility is overseeing the distribution of *The New York Times* in various formats, such as microfilm, microfiche, LEXIS/NEXIS ("NEXIS") and CD-ROM.

3. For many years, issues of *The New York Times* have been reproduced and distributed in a variety of formats, and are now available on paper, microfilm, microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals. *The New York Times* has been available on paper since 1851.

4. Each daily issue of *The New York Times*, going back to approximately 1851, is available on microfilm and/or microfiche. The creation of these microfilm and/or microfiche editions began no later than the 1940's.

5. Each daily issue of *The New York Times*, going back to approximately June 1980, is available in the NEXIS computerized library of periodicals. Each issue has been available through NEXIS since approximately July 1983.

6. Each daily issue of *The New York Times*, going back to approximately January 1981, is available on UMI CD-ROM products. These products have been available since approximately April 1992.

7. Each weekly issue of *The New York Times Magazine* and *The New York Times Book Review*, going back to

approximately January 1988, has been produced in its entirety on UMI CD-ROM products. These products, which graphically depict on a page-by-page basis the entire content of these periodicals (just as microfilm does), have been available since approximately August 1990.

8. Times Co. provides, and at all times relevant to this action provided, the full text of all articles in each daily issue of *The New York Times* to NEXIS on a daily basis by electronically transmitting to NEXIS a complete copy of the same computer text-files the printers use to create that day's paper edition of *The New York Times*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that day's edition of the newspaper, as well as headlines, photograph captions and by-lines, and page and section references.

9. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety the complete, identical textual content of all of the articles that appeared in the paper edition of a particular daily issue of *The New York Times*.

10. Times Co. provides, and at all times relevant to this action provided, the full text of all articles in each daily edition of *The New York Times* to UMI for publication in CD-ROM format. This is accomplished through NEXIS which on a monthly basis provides, and at all times relevant to this action provided, to UMI at Times Co.'s request, a magnetic tape containing a copy of the computer text-files the printers used to create each of the preceding month's daily editions of *The New York Times*, as transmitted to

Exhibit B-4

NEXIS. Thus, UMI receives the content of every article that appeared in the preceding month's daily editions of the newspaper as well as headlines, photograph captions, by-lines, and page and section references.

11. As a result of this process, the complete textual content of each article that has appeared in each daily edition of *The New York Times* during the preceding month has been provided to UMI in the ordinary course of business.

12. Each weekly edition of *The New York Times Book Review* and *The New York Times Magazine* is, and at all times relevant to this action was, made available to UMI for publication in CD-ROM format by providing UMI, on a weekly basis, paper copies of the preceding week's issues of *The New York Times Book Review* and *The New York Times Magazine*.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
March 14, 1996

s/ James E. Patterson
JAMES E. PATTERSON

EXHIBIT B-5 — DECLARATION OF RICHARD PETROSINO, DATED MARCH 14, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS AND DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF RICHARD PETROSINO

Richard Petrosino hereby declares as follows:

1. I am NEXIS Product Manager at LEXIS/NEXIS ("NEXIS"), which owns and operates a computerized library containing a wide range of legal, news-related and periodical publications. Among many other publications, the NEXIS computerized library contains daily issues of approximately 5,800 different newspapers and weekly and monthly issues of various magazines, including *The New York Times*, *Newsday* and *Sports Illustrated*. The NEXIS computerized

library has made research involving those materials enormously more efficient, effective and accessible than reliance on the paper format of the periodicals. NEXIS is used for academic, business and other research purposes, and is available to the public and at, among other places, public and private libraries, schools, universities and businesses throughout the country. NEXIS routinely does not register its computerized library with the Copyright Office.

2. I have held my current position since July 1995. My duties include, among others, overseeing the inclusion of issues of *The New York Times*, *Newsday* and *Sports Illustrated* on NEXIS. Prior to this job, I held a number of other positions with NEXIS, including Manager of Business Information Services Production and Project Leader of a group of production technicians and data control specialists.

3. From approximately July 1983 to the present, each daily issue of *The New York Times* has been placed in the NEXIS computerized library of periodicals.

4. From approximately 1988 to the present, each daily issue of *Newsday* has been placed in NEXIS's computerized library of periodicals.

5. NEXIS assembles, and at all times relevant to this action assembled, its collection of issues of *The New York Times* and *Newsday* by receiving on a daily basis from The New York Times Company ("Times Co.") and Newsday, Inc. ("Newsday"), respectively, an electronic transmission of the complete computer text-files the printers used to create that day's paper editions of *The New York Times* and *Newsday*.

Exhibit B-5

6. After receiving the electronic transmissions from Times Co. and Newsday, NEXIS transfers, and at all times relevant to this action transferred, the content of each day's articles in their entirety, and without substantive revision, to its computerized library. As a result, the textual content of each daily edition of *The New York Times* and *Newsday* in the NEXIS computerized library is, and at all times relevant to this action was, substantively identical to the daily editions printed on paper and the microfilm and microfiche editions of each newspaper. Present, but invisible to any user, are certain codes that have been added for indexing and search purposes so that particular editions, and the information within them, can be located within the computerized library.

7. At the end of this process, the complete, identical textual content of each article that appears in each daily edition of *The New York Times* and *Newsday* appears, and at all times relevant to this action appeared, within 24 hours of the paper edition in the NEXIS computerized library in the ordinary course of business.

8. From approximately 1982 to the present, each weekly issue of *Sports Illustrated* has been available in NEXIS's computerized library.

9. NEXIS assembles, and at all times relevant to this action assembled, its collection of issues of *Sports Illustrated* by receiving from Time Inc. ("Time") on a weekly basis an electronic transmission of the complete computer text-files used by the printers to create that week's edition of *Sports Illustrated*.

Exhibit B-5

10. After receiving the electronic transmission from Time, NEXIS transfers the content of each week's articles in their entirety, and without substantive revision, to its computerized library. As a result, the textual content of each weekly edition of *Sports Illustrated* in the NEXIS computerized library is, and at all times relevant to this action was, substantively identical to the weekly editions printed on paper, and the microfilm, microfiche and CD-ROM editions of the magazine. As is true with *The New York Times* and *Newsday*, present, but invisible to any user, are certain codes that have been added for indexing and search purposes, so that particular issues and the information within them can be located within the computerized library.

11. As a result of these steps, the complete, identical textual content of all of the articles in each daily edition of *The New York Times* and *Newsday*, and each weekly edition of *Sports Illustrated*, is, and at all times relevant to this action was, available to users of the NEXIS computerized library within 24 hours of the publication date of these periodicals.

12. As a result of technical limitations, and in order to reduce expense and maximize load capacity, NEXIS does not include photographs in its computerized library, and it presents each day's articles in a standard full page format, rather than in a columnar format. Each NEXIS library entry does, however, include, with respect to each daily issue of *The New York Times* and *Newsday*, and each weekly issue of *Sports Illustrated*, the page and section references of articles as they appear in the paper editions. This was true at all times relevant to this action.

Exhibit B-5

13. Because the NEXIS computerized library includes the complete, identical textual content of each daily issue of *The New York Times* and *Newsday*, and each weekly issue of *Sports Illustrated*, *The New York Times Book Review* and *The New York Times Magazine* (with additional computer codes that assist research), a person using NEXIS can, and at all times relevant to this action could, search for and retrieve in its entirety the complete text of any particular issue or information contained therein. By including these periodicals in the NEXIS computerized library, the format has simply been shifted from paper to a computer file. In this way, the NEXIS library of periodicals can be used for research purposes just as back paper issues, or microfilm or microfiche copies of periodicals are used.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: Dayton, Ohio
March 14, 1996

s/ Richard Petrosino
RICHARD PETROSINO

EXHIBIT B-6 — DECLARATION OF JOHN RIEDEL, DATED MARCH 15, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS AND DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF JOHN RIEDEL

JOHN RIEDEL hereby declares as follows:

1. I am Senior Vice President of Operations of UMI Company, formerly University Microfilms Inc. ("UMI"). UMI produces and distributes, among other products, microfilm, microfiche and CD-ROMs containing daily issues of various newspapers and weekly and monthly issues of various magazines, including *The New York Times*, *The New York Times Magazine* and *The New York Times Book Review*. These products, all used for academic, business and other

research purposes, are made available to, among others, public and private libraries, schools, universities and businesses throughout the country, through the use of UMI's ProQuest work stations. UMI products have made research involving periodicals enormously more efficient, effective and accessible than reliance on the paper format of those materials.

2. I have held my current position since 1995. My duties include, among others, overseeing the process by which UMI includes issues of *The New York Times*, *The New York Times Magazine* and *The New York Times Book Review* on certain CD-ROM products described more fully below. Prior to taking this job, I held a number of other positions with UMI, including Controller, Vice President-Finance, and Senior Vice President-Serial and Research Publishing. I have been employed by UMI for 23 years.

3. From approximately April 1992 to the present, each daily issue of *The New York Times* has been reproduced in its entirety on a UMI CD-ROM product known as "The New York Times OnDisc" ("Times OnDisc"). These daily issues are available on Times OnDisc for all years from 1981 forward. UMI does not register its Times OnDisc products with the Copyright Office.

4. UMI assembles, and at all times relevant to this action assembled, Times OnDisc by receiving from LEXIS/NEXIS ("NEXIS"), on a monthly basis and at The New York Times Company's request, a magnetic tape containing copies of the complete computer text-files the printers used to create each of the preceding month's daily editions of *The New York Times*.

Exhibit B-6

5. After receiving the magnetic tape from NEXIS, UMI transfers the content of the articles in their entirety, and without revision, to CD-ROM discs. The textual content of each day's edition of *The New York Times* that appears on UMI's Times OnDisc products is substantively identical to the paper, microfilm and microfiche editions of the newspaper. Present, but invisible to any user, are certain codes that have been added to the Times OnDisc for indexing and search assistance purposes so that particular editions, and the information within them, can be located on the CD-ROM disc. The final product also includes abstracts of certain of the articles that appear in the daily edition, which are added for research purposes.

6. As a result of technical limitations, and in order to reduce expense and maximize load capacity, UMI does not, and at all times relevant to this action did not, include photographs on its Times OnDisc products, and it presents each day's articles in a standard full page format, rather than in a columnar format. For accuracy and research purposes, each Times OnDisc product also includes, and at all times relevant to this action included, with respect to each daily issue of *The New York Times*, the page and section references of all articles that appear in the paper, microfilm, microfiche and NEXIS editions of the newspaper.

7. Because the Times OnDisc product includes the complete, identical textual content of each day's edition of *The New York Times* plus additional computer codes and some short abstracts to assist research, it is used for research purposes just as back issues of the paper editions, or microfilm or microfiche copies, are used. Thus, a person

using Times OnDisc can, and at all times relevant to this action could, search for and retrieve in its entirety the complete text of any particular daily issue of *The New York Times* or information contained therein.

8. From approximately August 1990 to the present, each weekly issue of *The New York Times Magazine* and *The New York Times Book Review* has been reproduced in its entirety on a UMI CD-ROM product known as "General Periodicals Ondisc". The weekly issues of these periodicals are available for all years from approximately January 1988 forward. UMI does not obtain copyright registrations for its "General Periodicals Ondisc" products.

9. UMI assembles, and at all times relevant to this action assembled, its "General Periodicals Ondisc" by digitally scanning complete copies of each of the preceding week's paper editions of *The New York Times Magazine* and *The New York Times Book Review*. Because these copies are digitally scanned page-by-page, the entire content of each weekly edition of *The New York Times Magazine* and *The New York Times Book Review* that appears on UMI's "General Periodicals Ondisc" is identical — including with respect to photographs and layout — to the paper, microfilm and microfiche editions. Present, but invisible to any user, are certain codes that have been added for indexing and search purposes so that particular editions, and the information within them, can be located on the CD-ROM disc.

10. Accordingly, a person using "General Periodicals Ondisc" can, and at all times relevant to this action could,

search for and retrieve in its entirety the complete textual, photographic and advertising content of a particular weekly issue of *The New York Times Magazine* or *The New York Times Book Review* or information contained therein. By including *The New York Times*, *The New York Times Book Review* and *The New York Times Magazine* on CD-ROM discs, the format of these periodicals has simply been shifted from paper to a computer disc. In this way, UMI CD-ROM products can be used for research purposes, just as back issues of the paper editions, or microfilm or microfiche copies, are used.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: Ann Arbor, Michigan
March 15, 1996

s/ John J Riedel
JOHN RIEDEL

EXHIBIT B-7 — DECLARATION OF DENNIS STERN, DATED MARCH 13, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs,

– vs. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

DECLARATION OF DENNIS STERN

DENNIS STERN hereby declares as follows:

1. I am Associate Managing Editor of *The New York Times*. I have held this position since 1994. Prior to assuming my present position, I held a number of positions at *The New York Times*, including Senior Editor, Deputy Metropolitan Editor and Deputy National Editor. I have been employed by the paper since 1981.

Exhibit B-7

2. *The New York Times* is a well-known and widely-read daily newspaper. In my current position, I am responsible for the general administration of the newsroom at *The New York Times*, including all personnel matters. Moreover, particularly when I served as Deputy Metropolitan and National Editor, my responsibilities have included, among others, assigning in-house and freelance writers to prepare and submit articles for publication in *The New York Times*. Accordingly, I have had substantial contact with freelance writers who submit articles to *The New York Times*.

3. The manner in which articles written by freelance writers are selected for publication in *The New York Times* has varied over the years. The usual process, however, applicable to most freelance writers, has been well-established. The decision as to who will work on a particular article is made by an editor with responsibility for the particular section of the newspaper or for the particular subject matter. If an editor decides that a freelance writer will be used for a particular piece, he or she generally will contact one or more freelance writers to describe the subject matter of the proposed article and to determine the writers' level of interest. Once it is determined that a freelance writer is interested in preparing the article for publication, the assignment is awarded. On occasion, a freelance writer will submit an unsolicited article to *The New York Times* for publication.

4. Historically, most freelance assignments for *The New York Times* have been undertaken and completed without any written agreement, as I understand was the case with respect to the articles at issue in this action written by

plaintiffs Jonathan Tasini, Margot Mifflin and Mary Kay Blakely. The editor and the freelance writer usually discuss the topic and length of the article, the deadline for the article and the fee and any expenses to be paid by *The New York Times*. For many types of articles, there is a well-accepted standard fee, making fee negotiations unnecessary. From time to time, certain writers, particularly in connection with more lengthy, feature pieces, may engage in a short negotiation over the fee. In virtually all instances, there have been no express negotiations over rights. For many years, articles have been accepted based on the practice of distributing each edition of *The New York Times* on paper, microfilm, microfiche, and CD-ROM, and in the NEXIS computerized library of periodicals.

5. In a few cases, usually involving either (a) freelance writers who agree to submit multiple articles over a particular period, such as regular or periodic columnists, or (b) freelance writers of independent stature, *The New York Times* has entered into a written agreement with a writer. I understand that, although some of those agreements expressly refer to "electronic publishing rights," the substance of those agreements always resulted in *The New York Times* obtaining such rights. I am not aware of any instance in which *The New York Times* agreed to a freelance writer's demand that he or she retain such rights.

6. Although the print editions of *The New York Times Book Review* and *The New York Times Magazine* are usually distributed along with each Sunday's edition of *The New York Times* newspaper, each of these weekly periodicals is considered to be an independent publication. For example,

Exhibit B-7

the *Readers' Guide to Periodical Literature* online database includes *The New York Times Magazine* and *The New York Times Book Review* — not *The New York Times* newspaper — as the source of articles that appeared in those publications.

7. One of the articles at issue in this action, "Can It Be Morning In Teamsterland?" by plaintiff Jonathan Tasini ("Tasini"), originally was intended to be a 4,000 word article written for *The New York Times Magazine*, as reflected in an assignment letter from Katherine Bouton to Tasini dated April 18, 1991. This assignment was dropped in June 1991, however, and Tasini subsequently submitted a new, shorter piece entitled "Can It Be Morning In Teamsterland?" which was published on the OpEd page of the December 13, 1991, issue of *The New York Times*.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
March 13, 1996

s/ Dennis Stern
DENNIS STERN

EXHIBIT C-1 — DEPOSITION TRANSCRIPT OF JONATHAN TASINI, DATED APRIL 10, 1995, pp. 1, 5-6, 23-24, 29, 39, 44, 69-70, 93-96, 109-112, 157-159, 222-226, 237

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

Jonathan B. Tasini
April 10, 1995

* * *

DEPOSITION of JONATHAN B. TASINI, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10002, on the 10th day of April 1995, commencing at 9:10 a.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

* * *

[5] * * *

Q: Well, upon your graduation from UCLA in 1982, what did you do?

A: I basically free-lanced. I want to be accurate, because in between the time I stopped school in Israel and the time I enrolled in UCLA, I did work in other jobs.

Exhibit C-1

Q: But since 1982, have you had any career other than —

A: No.

Q: — as a free-lance writer?

A: No.

Q: You have never worked as a staff writer for any major publication?

A: Not as a staff writer. No.

[6] **Q:** Any publication at all? I didn't mean to exclude any.

Did you ever have a staff position with any publisher?

A: No.

* * *

[23] * * *

Q: And have you ever had any opportunity to use Nexis in connection with your research?

A: No.

Q: You have never used Nexis at all?

A: No.

Q: Do you know how to use Nexis?

A: No.

Q: Have you ever asked anyone to use Nexis for you?

A: No.

Q: Do you know what Nexis is?

A: Yes.

[24] **Q:** Is there a reason why you haven't used Nexis to date?

A: Well, I understand that it's very expensive, that I couldn't afford it. So — and I guess the other reason is, I don't work in an office, because I work at home, so I wouldn't have access to it.

* * *

[29] * * *

Q: How much did you earn as a free-lancer in 1990?

A: I don't recall exactly.

Q: Approximately?

Exhibit C-1

A: Generally speaking, in all the years that I have been a free-lancer, I have made in the twenties.

I really do not recall; in 1990, I might have made less. I certainly did not make more, unfortunately.

* * *

[39] * * *

Q: When did you first learn that the articles at issue in this complaint were available on Nexis?

A: Margaret Bald informed me.

* * *

[44] * * *

Q: Tell me what you can remember about the conversation with Margaret Bald in which you learned that your articles had been included on Nexis.

A: I don't recall the exact conversation. I think basically she said she had found it, and I was surprised, and, you know, it was new information to me.

* * *

[69] * * *

Q: On what do you base the understanding that you had in and about 1990 that what free-lancers were granting as a matter of course to publishers was first North American printed rights?

Exhibit C-1

A: I can only say — I can only speak from my personal experience.

Q: I understand.

A: Well, the best example I can give is, I wrote two articles for The New York Times Magazine prior to 1990.

[70] One was about the Coor's boycott, and the other one was about a basketball player, rookie. And when those appeared, The New York Times syndicate, a person explicitly called me on the phone and said we'd like to buy the right to use that in a printed form in other countries.

And they offered me a sum of money as an advance, and it would be matched against any royalties that were gotten from the sales and then there would be a split of anything that went over $300.

So that was, you know, an example.

* * *

[93] * * *

A: I didn't write that sentence, so I couldn't — I don't know what the writer had in mind in defining that.

[94] Again, once again, I think it's a general statement about our union belief.

Exhibit C-1

Q: So it's your testimony that, in your position as president of the National Writers Union, you cannot tell me what is meant by that sentence in Exhibit 109; correct?

A: I'm saying —

MS. BASS: Objection as to form.

A: You are asking me a very specific question and it is a general sentence. This was written, you know, some time ago and I don't — I did not — I don't recall questioning someone about this particular sentence and I don't know what it referred to.

Q: Mr. Tasini, isn't it a fact that, at its own board meetings, the National Writers Union has referred to what publishers generally obtain from free-lancers as first North American rights?

A: That's probably true. Yes, I would say it's true. I don't recall a specific instance, but it would not surprise me.

Q: And hasn't this lawsuit been brought to establish that first North American rights should not include electronic rights?

[95] (Pause.)

A: No. The lawsuit was brought in order to stop a practice that we feel was violating our rights.

Exhibit C-1

Q: And the practice that was violation your rights is the practice of including free-lance contributions in electronic databases, correct?

A: No. I think I need to be very specific about this. Our knowledge and the practice, I mean, which we worked, was that we only gave print rights. We brought this action because we believed those rights were being violated. As I said before, many of us did not know about the existence of this until we really began looking into it. It was a totally foreign area.

(Pause.)

Q: Mr. Tasini, is it not correct that, according to Exhibit 109, the National Writers Union is seeking to change the existing practice in the publishing industry of including free-lance contributions in electronic databases?

[96] **MS. BASS:** Objection as to form.

A: I think I said this before, that our attempt here, the plaintiffs' attempts — and I assume also the union's overall attempt — is to fight against something that we think was, you know, illegally done, and a practice, that we were not— we were familiar with a practice in the absence of a specific contract that granted any other rights that we had to sign away, that we were giving just first North American rights, which as it says includes only print rights.

Q: But the industry practice is to the contrary, isn't that accurate?

Exhibit C-1

A: The industry may have been taking these rights from people and, I mean, and using the work, but it was not a practice in the sense of agreement or even knowledge on the part of writers.

* * *

[109] * * *

Q: Does the term first, one-time North American print publication rights include or exclude microfilm and microfiche versions of the December 13th, 1991 edition of The New York Times in which Teamsterland appeared?

MS. BASS: Objection. Calls for a legal [110] conclusion.

A: I would say it excludes it, unless I explicitly gave them the right to do it.

Q: That wasn't expressly set forth in writing either, was it?

A: In this particular article?

Q: Yes.

A: No.

Q: When did you first learn that editions of The New York Times were available in microfilm or microfiche?

A: I don't recall.

Exhibit C-1

Q: Was it when you were in high school?

A: Oh. (Pause) I don't recall.

Q: Was it any later than when you were a student at UCLA?

A: Probably not.

Q: And when you sold this article in 1991, then you knew The Times was available across the country in microfilm and microfiche form, didn't you?

A: Yes, probably. Yes.

Q: And when you sold the article in 1991, you had known of other free-lancers whose articles [111] had been included in microfilm and microfiche as part of the original newspaper or magazine in which their works originally appeared, correct?

A: I would assume so.

Q: Do you know if any of those free-lancers had negotiated any additional payments for the microfilm or microfiche uses?

A: No.

Q: Was it by 1991 that you had learned of the issue of your articles and those of other free-lancers being included by publishers in Nexis and in CD-ROM forms as part of the periodicals in which their work first appeared?

Exhibit C-1

MS. BASS: Objection. Asked and answered.

A: I'm just saying that generally in the time frame of '90 or '91 or '92 I began to become aware of the issue.

I didn't understand it, you know, at that time, but it was '91 or '90 or later.

Q: You had no discussions with The New York Times about additional payments for the right to include Teamsterland in microfilm and microfiche, correct?

[112] **A:** For this article, you are speaking?

Q: For Teamsterland.

A: No.

Q: Do you believe that the inclusion of Teamsterland in microfilm or microfiche form is a form of copyright infringement?

A: I believe that if I didn't specifically say it and give people, somebody, the right, that yes.

Q: Prior to filing this lawsuit, did you ever ask The Times to exclude Teamsterland from its December 13th, 1991 edition of The Times on microfilm or microfiche form?

A: No, I did not.

Q: Have you asked since?

A: No.

Exhibit C-1

Q: And you haven't asked since the filing of this lawsuit to have your article excluded from Nexis, have you?

A: No.

Q: Or from any CD-ROM?

A: No.

* * *

[157] * * *

Q: Is it the case that Newsday generally enters into oral agreements with free-lancers for articles similar to those that you submitted?

A: I can only comment on, you know, what my experience has been.

Q: What's your experience?

A: Well, my experience has only been with the op-ed section and the business section of [158] Newsday, so I can't comment on any of the other sections.

They may have other practices.

Q: Did I step on your answer? Were you going to add anything to —

A: I don't think so.

Exhibit C-1

Q: Okay. But your understanding, based on your experience with Newsday, was that it treats these sorts of contributions from free-lancers pursuant to some general oral understanding as to what would be paid; is that correct?

MS. BASS: Objection.

A: I'm just saying it's my own experience. In other words, I haven't had conversations with other free-lancers who have said that.

I am just working from my own experience.

Q: Okay.

A: With Newsday.

Q: But let me see if I understand your experience.

Has your experience been that that is the way that Newsday operates?

A: Oral agreements?

Q: Correct.

[159] **A:** Yes. With my — yes. With my experience.

* * *

Exhibit C-1

[222] * * *

Q: Have you ever attempted to sell a free-lance contribution of yours that appeared in a publication to another publisher?

[223] **A:** Yes.

Q: Successfully?

A: Yes.

Q: About how many times have you done that? (Pause.)

A: Oh, I don't know. I can't put a specific number, but it — let me say sometimes a publisher will come to me and ask for something.

But you're saying me going out and doing it myself?

Q: Well, I will take it either way.

A: It happened both ways. And I think I described one way that it happened previously, particularly with op-ed pieces, was I would syndicate them and I would sell perhaps to one, but I would continue to try to sell to others.

Q: On those occasions, has the second publisher ever asked you whether your article has appeared in another format such as on a computer babe or on CD-ROM?

A: No.

Exhibit C-1

Q: So that has it been the case that any of those articles have appeared in an electronic format?

[224] **A:** Not to my knowledge. I'm not familiar with it.

Q: So we are not talking on these resale occasions about anything that appeared in Newsday or The New York Times; is that correct?

A: Anything or —

Q: Anything.

A: — just the ones in the complaint?

Q: Anything. (Pause.)

A: I don't recall either way.

Q: Is it your view that — are you still thinking?

A: As you were going on, I was trying to keep thinking.

To the best of my knowledge — let me put it this way.

Subject matter that I would have covered in articles in Newsday and New York Times appeared in other places that I sold. You know, I wrote frequently about the Teamster election. I wrote frequently about jobs. And so on. (Pause).

Not that I recall.

Exhibit C-1

Q: In any of these instances when either you [225] approached another publisher or another publisher has approached you, the issue of whether your works have appeared in an electronic database has never come up as a stumbling block to such resale, has it?

MS. BASS: Objection to form.

(Pause).

A: Well, I would say that in the couple of instances where I specifically said to people you can't have this for your — you know, for other than print writes.

But you're saying it didn't prevent a —

Q: Let me make my question clearer.

A: Please.

Q: I am not referring to any efforts that you made to expressly restrict the scope of the grant to the —

A: Okay.

Q: — to the publisher. I am talking about in negotiations over the subsequent purchase of your piece, has the subsequent publisher ever expressed any concern over whether the piece has previously appeared in an electronic format?

Exhibit C-1

[226] **A:** No.

Q: In connection with these resales, have you ever been asked whether these articles have appeared in microfilm or microfiche form?

A: No.

Q: And isn't it the case that that issue has never adversely affected your ability to resell the piece to the second publisher?

A: Not that I'm aware of. I don't know where I might not have gotten a sale because that was the fact.

Q: It's never come up expressly, has it?

A: Not expressly, no.

Q: Do you have reason to think that you've lost certain resales because your article may have appeared in a microfilm or microfiche or a CD-ROM or Nexis format, prior to the occasion when the second publisher was going to purchase it?

A: It could be. I don't have any reason specifically to know that. Nobody said that expressly to me, that we will not buy something because it's already on electronic form.

* * *

Exhibit C-1

[237] **Q:** Did you ever voluntarily and knowingly and expressly grant Newsday the right to include an article of yours on Nexis?

A: No.

Q: Did you ever expressly grant Newsday the right to include an article of yours on a CD-ROM disk?

A: No.

* * * *

EXHIBIT C-2 — DEPOSITION TRANSCRIPT OF MARY KAY BLAKELY, DATED APRIL 17, 1995, pp. 1, 5-8, 13-15, 30-32, 36-38, 43, 70-71, 73-81, 83, 84, 87

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

Mary Kay Blakely
April 17, 1995

* * *

DEPOSITION of MARY KAY BLAKELY, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10002, on the 17th day of April 1995, commencing at 12:25 p.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

* * *

[5] * * *

Q: How long have you been a free-lance writer?

A: Full time since 19 — let's see. Full time free-lancing, since 1977.

* * *

Exhibit C-2

[6] * * *

Q: About how many free-lance contributions have you submitted in your career?

A: I would say that my files contain [7] probably maybe 150 essays, one book that's a collection of humor, and two memoirs.

Q: Would that constitute all the published free-lance work you have done?

A: Yes.

Q: Have you been able to publish most of the free-lance work you have submitted?

A: Yes.

* * *

[8] * * *

Q: Have you had written contracts for all your free-lance work since 1981?

A: For most of it. Not all of it, I guess. I should say that was 1982 when Phyllis Wender became my agent, because it was after I had run a series in The New York Times and that was 1981.

* * *

Exhibit C-2

[13] * * *

Q: You told me earlier that most of the work you have published since 1982 has been under a writer contract.

Is there any reason why some of it would have written contract and some wouldn't?

A: Most of my work has a written contract. I noticed later that The New York Times Book Reviews that I have written did not have an initial contract and the Hers columns.

And otherwise, I can't think of any exceptions where we did not have a contract.

* * *

[14] * * *

Q: Apart from the submissions to The New York Times you've just described, then, all of your work in newspapers and magazines has been pursuant to a written contract?

A: Yes, I believe so.

Q: Did your work for Hers ever get published pursuant to a written contract?

A: Did my work for Hers?

Q: "Hers."

Exhibit C-2

A: You mean in 1981?

Q: Ever, I thought I heard you say that your work for Hers did not have a contract at least initially.

A: That's right. When it was published in The New York Times, but several of my articles that I had written for The Times would then be under contract if the syndicate were interested, so we had syndication contracts with The Times, but for my free-lance articles there were no contracts with [15] The Times.

* * *

[30] * * *

Q: Does first North American serial rights include microfilm rights?

[31] **MS. BASS:** Objection. It calls for a legal conclusion.

Q: Based on your personal experience?

A: Does it include?

Q: Microfilm rights.

A: Microfilm rights? Usually that permission is granted in the contract. When it's not, I assume that the contract is for first North American, unless it's stated in the contract.

Exhibit C-2

Q: In other words, if a contract you sign doesn't expressly discuss microfilm rights, you haven't granted those rights?

A: Right.

Q: Would the same hold true for microfiche rights?

A: Yes.

* * *

[32] * * *

Q: What's your average annual income from your free-lance contributions to newspapers and magazines?

A: Newspapers and magazines. Including reprints and when those articles are anthologized and like how much of my income is generated by the articles produced?

Q: (Indicating affirmatively)

A: I would say from free-lance work probably I've been averaging about 30,000 a year.

Books and film are apart from that.

* * *

[36] * * *

Q: At any point in connection with the articles you sold to The New York Times, did you ever have any discussions

with anyone at The Times about the scope of the rights you had sold in those [37] articles?

A: No, I didn't.

Q: And there's nothing in writing about the scope of the rights you granted The New York Times in those articles, is that right?

A: That's right.

* * *

Q: When's the first time you knew The Times was available on computer databases?

A: Knew for sure, when the suit began and when I talked with Margaret Bald at the National Writers Union.

[38] **Q:** That was in the summer of '93, give or take?

A: Yes. If that's when she began calling everyone, yes.

* * *

[43] **Q:** What's your understanding of Times' policy regarding the placement of your work on microfilm?

A: Well, our history had always been that we sold my work to The New York Times after it was printed in The Times, copyright reverted back to me. If the syndicate served as agent for one of my essays, then a contract was

drawn up between my agent's office and The New York Times sales office for distribution around the country.

Q: I guess I was referring to The Times' practice in connection with the publication of your article before syndication rights were discussed.

Do you know what The Times' practice was regarding that purchase of your articles and the placement of those articles on microfilm?

A: I don't, because of course, again, I didn't have a contract.

What I always assumed that we were selling and because copyright always did revert back to me, I assumed what we were selling was first North American serial rights.

* * *

[71] . . . we're talking about electronic or microfilm rights, we will often say microfiche/microfilm rights for libraries only.

Q: Is that a different grant than electronic publishing rights for storage in libraries only?

MS. BASS: Objection as to form.

A: Yes. I would say that we don't use the phrase electronic publishing, but we will often say in libraries only.

Exhibit C-2

Q: Does that refer to microfilm and microfiche?

A: Yes.

Q: Does it refer to anything else?

A: No. We intend it to mean microfilm, microfiche, and library holdings.

* * *

[74] * * *

Q: Did you agree to write an article for Parents magazine in 1994?

A: That was the excerpt from my book.

Q: All right.

A: That was excerpt from "American Mom". So, that was the note I have here to get you that contract.

Q: Oh, right. Did you grant them first North American serial rights in the book excerpt?

A: Yes. That's what they bought, first North American serial rights, cause that was the only-that was published before the book.

So, yes that's what they bought.

Exhibit C-2

Q: Are you aware of whether Parents magazine [75] believes that that grant allows them to place your article on Nexis?

A: It wouldn't.

* * *

[76] **Q:** So that your sale of first North American serial rights to any of the publishers with whom you have a written contract doesn't allow them the rights to place your articles on Nexis; is that —

A: No.

* * *

[77] * * *

Q: And in 1981, what was your basis for understanding that you had granted first North American serial rights to The Times?

A: Because that's what happened. I mean, I had no reason to think otherwise.

And then when either my agent and I vigorously marketed some of those pieces in other markets, we of course had copyright to do so.

When The Times marketed to other networks, they came back to us for a contract with the syndicate sales office.

* * *

Exhibit C-2

[78] * * *

Q: So when you say that your dealings with The Times in terms of their syndication of your work was consistent with your grant of a first North American serial rights in that work, are you referring to the part of that grant that says first or to the grant in general?

MS. BASS: Objection as to form.

A: Yes, I would say it was the first and [79] only.

My understanding was, the copy would be printed in The Times, and that once it was published in The Times rights immediately reverted back to me; that further sale of those rights could not happen by The Times without negotiation.

Q: Apart from what you've just described, is there any other basis for your understanding in 1981 that what you had sold The Times was first North American serial rights in your work?

A: You mean apart from any other evidence that that was how we were operating?

Q: Yes.

A: Yes. I mean, when the syndicate did sell, after a contract was drafted and the syndicate did sell anything, 50 percent of those proceeds were returned to me, always with a printout indicating which newspapers they had appeared in, where, how many times.

Exhibit C-2

So, there was an accounting system in place. And I had no reason to believe that that had changed.

And that was my evidence.

Q: Okay.

[80] **A:** I mean, periodically we would receive these accounting statements.

* * *

[81] * * *

Q: Have you ever resold articles first published in The New York Times to other publishers?

A: Yes. Some of the early Hers pieces have been anthologized in college textbooks, so we sold those.

The Times bought them to put in the Hers anthology, so we sold them back to The Times for second serials in the Hers collection.

I can't remember which specific articles, but we also had a lot of interest in the feminist issues overseas in some of the foreign publications, so some of those articles may have been sold on the continent.

Q: When those articles were resold, were you ever asked whether any of the articles appeared in another format, like Nexis?

Exhibit C-2

A: No. We were only asked who owned the copyright.

Q: Have you ever been asked in the course of reselling an article whether it appears on microfilm?

A: Not that I recall.

* * *

[83] * * *

Q: Has anyone ever pulled an article from Nexis on your behalf?

[84] **A:** Not at my request.

* * *

[87] * * *

Q: Do you belong to any on-line services?

A: I don't.

Q: Compuserve, for example?

A: I don't.

* * * *

EXHIBIT C-3 — DEPOSITION TRANSCRIPT OF BARBARA GARSON, DATED APRIL 12, 1995, pp. 1, 6-8, 28-29, 51-52, 64-65, 74-75, 82-83, 95-98, 121-123, 125

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

Barbara Garson
April 12, 1995

* * *

DEPOSITION of BARBARA GARSON, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10002, on the 12th day of April 1995, commencing at 1:00 p.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

* * *

[6] * * *

Q: How long have you been a free-lance writer?

A: Since the first play I wrote in 1965.

* * *

Q: About how many free-lance contributions have you submitted in your career?

Exhibit C-3

A: I don't know. I've made my entire living on it. I've written about — when I write a bio, I would list five or six plays, three books, and then I would say "and articles in," and list a lot of papers.

At one time I knew that those articles were over 100, but that was maybe 15 years ago. I [7] had to count them up for a grant.

* * *

Q: In a year where you would be focusing on your free-lance work, how many articles do you think you would submit for publication?

A: In the years — it happened that the years that I was writing for the articles that are the subject of this suit, I probably published 10 or 12 short articles, but they were published in many different places.

Q: Meaning that after they were first published in one newspaper or magazine, you then resold the same article for publication somewhere else; is that right?

A: Yes. Because it's standard practice to — everybody knows that they are just getting [8] one-time use. So I send them out to other places.

* * *

Exhibit C-3

[28] * * *

Q: Tell me how long you've been a free-lance writer again.

It's been more than 20 years, is that right?

A: Yes, it has been more than 20 years, but it hasn't always been newspaper work.

Q: I understand. That was including your plays and other work?

A: Right.

Q: And during that time it sounds like you have made extensive connections through the publishing industry, both at newspapers and magazines, is that right?

A: Oh, I only started the self-syndicating, I don't know — when did — about the same time as the relevant articles for this suit.

[29] **Q:** Meaning the early nineties?

A: Yes, '89. Right. It's when fax machines became available, so I could fax them to other people.

* * *

Exhibit C-3

[51] * * *

Q: What's your average annual income from free-lance contributions to the publications you identified in your answers 3 and 4 to the interrogatories we sent you?

A: Oh, low. The average varies quite a lot.

When I am doing this free-lance writing, I could make seven or $8,000, and then I have a [52] book contract, and then I'll make a little more.

Q: Is seven or eight at the low or high end of the range if there is an average range?

A: It's low. This newspaper writing isn't a very big deal.

Q: Is there an upper end of a range of average free-lance —

A: It is so unpredictable. You just have to ask me about years.

Q: In 1994, what was the —

A: 1994 was a great year. Oh, no, no, no, I'm sorry, it didn't happen in '94.

Yes, it did. I got $30,000 advance on a book and put that money in the bank, along with the maybe six or seven that I made on the — but I would have to go to my taxes to

see, but I probably made about $35,000, and that was a big year as a free-lance writer.

Q: But excluding the book contract, something about six or $7,000?

A: Exactly.

* * *

[64] * * *

Q: How did you learn that these four Newsday articles appeared on the Nexis database?

A: Someone called me from the National Writers Union and asked did I know that my material was on Nexis, and I said no, I didn't know.

Q: Do you remember when you got that call?

A: Sometime before this — obviously, sometime before this suit was filed.

Q: Was it sometime in 1993?

A: You know, really, I — you know, if it were '92 I wouldn't know, you know. I'm really bad on these dates.

Q: Do you remember who called you from the NWU?

Exhibit C-3

A: It was a woman. And I'm sorry not to remember, no.

Q: Would it have been Margaret Bald?

A: Well, it surely could have been. I mean, I feel bad that I don't remember people, everybody, the people who work so hard at the union's names.

Q: Have you ever used Nexis?

A: No.

Q: Have you ever used any computer database [65] like Nexis, as you understand Nexis to be?

A: No. I've looked at friends using the Internet.

Q: Have you ever used a CD-ROM that contains the contents of newspapers or magazines?

A: No.

* * *

[74] * * *

Q: Does Newsday appear on microfilm?

A: I don't know.

Exhibit C-3

Q: Did you grant Newsday the right to put your article in a microfilm edition of Newsday when you granted them one-time rights?

A: No, I never thought about it. I didn't say yes or no.

The question never entered my mind and no one ever asked me.

Q: Is that because you don't know whether Newsday appears in microfilm?

A: It's because I never thought of it at the time. Since you mention it, I'll ask next time.

If they'd asked me, I'd say yes. If they had asked me then, assuming that a microfilm is something that you use, as you were bringing up before, at a library, I would say yes.

[75] **Q**: Would you say yes to microfilm because it is a library-based product?

A: I guess because I hadn't thought of anything else to do with it on microfilm myself.

I don't know. Yes, it sounds like a kindly, noncommercial dealing.

I don't know. Nobody ever asked me and I never thought about it at the time.

* * *

Exhibit C-3

[82] * * *

Q: I wanted to go back to something you told me earlier, which is that as a matter of course you grant one-time rights in the work you sell to publishers as a free-lance writer.

A: To newspapers.

Q: To newspapers. Is that correct?

A: Yes.

Q: Is there anything in your grant of one-time rights in articles you sell to newspapers that restrict the newspapers choice of a medium in which they publish your work?

(Pause.)

A: Are you trying to say to me when I sell the newspaper one-time rights, could he make a movie out of it?

[83] Absolutely not.

Q: Do you —

A: I assume that means one-time printing in the newspaper which I know him to be the publisher of.

* * *

Exhibit C-3

[95] * * *

Q: If I told you that Newsday now keeps an electronic morgue of its back issues, would you think that Newsday has the right to place the articles you've complained about in its electronic morgue?

A: Well, I never thought about that before.

MS. BASS: Objection.

Q: What's your opinion?

[96] **A:** Would I think they have a right?

Q: Yes.

A: If they asked me, I certainly would give them permission like that (indicating), to keep them in any form in the back room.

Q: What if they hadn't asked you?

A: Then I don't know if they have the right. Why don't you ask me?

Go ahead. Ask me for permission if you represent them.

Q: I am just asking if you think they have the right or not, if they haven't asked you ahead of time.

Exhibit C-3

A: I haven't really thought about it, how they store their material.

Q: Sitting here today and just thinking about it, do you have an opinion one way or the other?

MS. BASS: Objection as to form.

(Pause.)

Q: I'm sorry?

A: You want to ask the question again?

(Question read.)

A: I don't know what to make of a question [97] like that.

Before this all started, I wouldn't have run around looking to see how they stored things and be ready to say, gosh, you can't store my things this way or that way.

I simply would never have thought about it.

Q: But now that this whole thing has started, have you changed your thoughts about that?

A: If anybody else, if any of the nice people that I knew at Newsday, said you think we can keep these things in the back room? I might try to answer the question.

Exhibit C-3

But since yours seems to revert to larger issues than that, I, I can answer you.

Q: Let me try to keep the question less large.

A: Okay.

Q: Given that no one at Newsday has asked your permission to place your work in their electronic morgue, of you think they have the right to do or don't they?

MS. BASS: Objection. Calls for a legal conclusion.

[98] **Q:** Based on your own personal experience as a free-lance writer?

A: I don't know if they have the right. If they don't have the right and they want to ask me, I would certainly give them the permission.

Q: Okay.

A: I think I'd go further than that. If they don't have the right to keep it in their morgue and they did it anyway I'll let them off the hook.

(Pause.)

Q: I trust your answer wouldn't be the same if you were aware Newsday put articles on a different sort of electronic database?

Exhibit C-3

A: No, it wouldn't.

Q: What would the difference be?

A: They're using my article profitably in some way that I never gave them permission to.

* * *

[121] * * *

A: You are asking the same question you asked before.

Q: Right, but now we've had an opportunity to look at language that you say accurately reflects the scope of the rights you sold to Newsday in your articles.

And I'm asking you whether this scope of [122] rights includes or excludes microfilm editions of Newsday?

MS. BASS: Calls for a legal conclusion.

* * *

Q: Does it include or exclude the right to put your articles on a computer database edition of Newsday?

MS. BASS: Calls for a legal conclusion.

* * *

Exhibit C-3

MS. BASS: Lisa, can I make a suggestion?

I don't want to keep on continuing to object, and it seems to me that if what you're really asking her is whether she intended to sell [123] electronic rights —

THE WITNESS: The answer is no.

MS. BASS: — then ask that question.

* * *

A: Did I intend to sell them anything other than those two editions that I knew about? No.

* * *

[125] **Q:** Has any publisher to whom you're reselling an article ever asked whether that article appears in a computer database?

A: No.

Q: Have they ever asked —

A: Nor has any publisher who I ever sent it to just faxed ever been confused and put it on a database as far as I know.

They all seemed to know what one-time use was and what I was sending them.

Exhibit C-3

Q: Has any publisher to whom you were attempting to resell an article ever asked if that article appeared in a CD-ROM format?

A: No.

* * * *

EXHIBIT C-4 — DEPOSITION TRANSCRIPT OF MARGOT MIFFLIN, DATED APRIL 11, 1995, pp. 1, 5-8, 11-12, 14-15, 22-23, 26-30, 49-52, 54-55, 70, 89-92, 94-97, 100

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

Margot Mifflin
April 11, 1995

* * *

DEPOSITION of MARGOT MIFFLIN, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10002, on the 11th day of April 1995, commencing at 12:55 p.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

* * *

[5] * * *

Q: What have you done since 1986?

A: From '86 to '88, I wrote and waitressed. And since '88, I've written exclusively.

* * *

Exhibit C-4

Q: Have you taught journalism at all?

A: Yes.

Q: Are you doing so now?

A: No.

Q: When did you teach journalism?

[6] **A:** I taught at NYU from — in the fall and spring of '93 and '4 as an adjunct.

Q: Was that one full academic year?

A: Yes.

Q: Fall of '93 to spring of '94?

A: Yes, although I wasn't a full-time teacher.

Q: Since 1990, can you give me an average annual income that you have been able to achieve as a result of your free-lance writing activities?

A: Average is probably 25,000.

Q: Has that been approximately consistent over that period?

A: Within a few thousand dollars.

* * *

Exhibit C-4

[7] * * *

Q: How many contributions over the last three years have you submitted to Mirabella?

A: Mirabella, I've only written for in the [8] past year. I've written four articles.

Q: And what about Swing?

A: Swing, I believe three articles in the past year.

* * *

[11] * * *

Q: Can you explain the circumstances under which you deleted from the Swing contributor's agreement the language "in all mediums, including electronic publication"?

A: I received the contract. I called my editor and told him, and her, that I objected to the electronic rights clause, and asked if I could scratch it.

And my editor approved that.

Q: What happened in the case of the Mirabella agreement?

A: Exactly the same thing.

Q: Do you know whether Swing is included in any electronic database?

Exhibit C-4

A: I don't, but I doubt it.

Q: Why do you doubt it?

A: They are a new publication.

Q: Do you know whether Mirabella is included in any electronic publication?

A: No.

Q: Do you have a doubt or a view one way or the other?

[12] **A:** No.

* * *

[14] * * *

Q: Is that news to you?

A: That publishers would be including print articles in electronic databases?

Q: Yes.

A: It's not news now.

Q: When did you first become aware that that's what publishers did?

A: In about the summer —

Exhibit C-4

MS. BASS: Objection.

I'm sorry.

A: About the summer of '93.

Q: What did you learn in the summer of '93?

A: That my articles were on — were being sold, essentially, to Nexis.

Q: What articles did you learn were being sold to Nexis?

A: My New York Times articles.

Q: Did you learn about any other articles?

A: Not on Nexis.

Q: What other articles did you learn about [15] on some other database?

A: I saw my articles on Proquest, a database.

Q: What articles?

A: Actually, New York Times articles, and Art News articles.

* * *

Exhibit C-4

[22] * * *

Q: Is it your understanding that first North American rights, which is a term that you have seen used, does not include anything other than print publication rights?

A: Yes, it's my understanding.

Q: Do you know whether the publishing industry agrees with that?

A: Well, I know, for example that the Writer's Market, which is a standard industry tool for free-lancers, states that if you have a verbal [23] agreement for an article, you're selling only first American rights, and that any other rights, according to the 1978 Copyright Act, must be put in writing and signed by both parties.

* * *

[26] * * *

Q: Do you know that your articles in The New York Times, including the ones identified in the complaint, are included in microfilm and microfiche, copies of The New York Times?

A: I'm sure they are.

Q: Do you regard that as an infringement of your copyrights?

Exhibit C-4

A: It really depends on whether those rights were sold by The Times to the people who carry microfilm and microfiche.

Q: Well, what if they are sold by The Times, whatever you mean by that? What is your answer?

A: Can you repeat the question?

MR. KELLER: Can you read it back.

(Record read.)

A: I can't say, because I said my answer depends on whether they are sold or not. So I don't have an answer.

Q: I asked you to assume for the purpose of answering the question that they are sold.

A: If they are sold, yes, I do feel it's an infringement.

Q: And if they are not sold?

[27] **A**: I'd have to think about that one.

Q: Why? What's the difference? What distinction are you drawing in your mind?

A: Well, that they're profiting from something I sold them without my permission, whereas, for example, if they are simply given to libraries where they are not used for profit, that doesn't bother me.

Exhibit C-4

Q: Is it your view that The New York Times is given away to libraries across the country?

A: I don't know. I don't know what the policy is.

Q: You don't know the policy as to whether a library that wants to retain print editions of The New York Times needs to subscribe to it?

A: I assume they subscribe.

Q: Do you have a view based on that assumption as to whether a library that wants a microfilm or microfiche edition of The New York Times needs to pay for it?

A: I assume they probably pay for it.

Q: Whether the New York Times sells it to them directly or does so through another source, correct?

[28] **A**: Yes, I would assume.

Q: Then I'm confused by your answer to a couple of questions ago.

If in either case — I thought you were drawing a distinction as to whether the microfilm editions were given to a library for free by The New York Times.

I think it's fairly safe to say that it does not happen often, if at all. Will you agree with me?

A: That they're given? It doesn't happen often that they're given?

Q: Correct. Normally the situation is that a library must pay for a microfilm or microfiche edition of the times, just as it must pay for a printed edition of the times?

A: Yes.

Q: Do you agree with that?

A: Yes.

Q: Then I do not understand the distinction you are trying to draw.

A: Well, I don't understand the analogy between electronic rights and microfilm and [29] microfiche, because microfilm and microfiche have a very limited application in a library context, whereas electronic rights have unlimited possibilities in the future for use commercially.

Q: So, your distinction is drawn over the possibility of commercial exploitation of the medium as opposed to anything based in the copyright act?

A: Commercial exploitation and permissions. My objection is that my work is used without my permission.

Q: Did you ever give a publisher permission to use your work on microfilm or microfiche?

A: I did not.

Exhibit C-4

Q: Have you ever objected to a publisher including one of your works in microfilm or microfile?

A: I haven't.

Q: Do you intend to?

A: I don't know.

Q: Have you discussed the question with anyone?

[30] **A**: Yes.

Q: With whom have you discussed it?

A: With Emily.

Q: Don't tell me the substance of any conversation you have discussed with counsel.

A: Okay.

Q: Other than Emily, can you answer the question and tell me what discussions you've had?

A: I don't really remember discussing it with anyone else.

Q: When's the first time you researched anything on microfilm and microfiche?

A: Probably in the early eighties.

Exhibit C-4

Q: Did your research include at that time any major periodicals?

A: I'm sure I did.

Q: Did it include The New York Times?

A: Probably.

Q: Was there any doubt in your mind when you sold your articles to The New York Times that they would be included in microfilm and microfiche?

A: I didn't think about it.

Q: You assumed that it would?

A: I honestly didn't think about it.

* * *

[49] * * *

A: I remember conversations with writers about the inconsistency of the industry.

Q: What inconsistency are you referring to?

A: That it was difficult to know what to expect from magazines because contracts varied so much and the language varied.

Q: Did the language regarding first North American rights vary?

Exhibit C-4

A: No.

Q: That language was asked?

A: Pretty much. Most magazines at that time, prior to about '93, asked for first North American rights.

Q: Did you ever hear the expression "first North American serial rights"?

A: Yes.

Q: Did you ever hear the expression "first North American magazine rights"?

A: Not so much. Not magazine rights.

Q: Are you saying — you said not so much. Does that mean you've heard it some but not so [50] often?

A: Not as often as North American serial rights.

Q: But you did hear it?

A: Actually, I can't say I remember hearing magazine rights.

Q: Do you have an understanding today as to whether the term "first North American serial rights" and the term "first North American magazine rights" are equivalent?

A: I would assume they're equivalent.

Exhibit C-4

Q: Do you have an understanding as to whether they include or exclude microfilm or microfiche?

A: I don't.

Q: Do you have an understanding as to use whether they include or exclude any form of electronic rights?

A: I assume they exclude them.

Q: Why do you so assume?

A: Well, for one thing, because that phrase was used before electronic rights existed, so how could first North American rights suddenly absorb electronic rights?

[51] * * *

Q: What is it in the expression "North American magazine rights" or "North American serial rights" that in your view excludes electronic rights?

Let me ask it a different way. What is it in that phrase, either of those phrases, that limits the distribution medium of either the magazine or the serial, which I take it is synonymous with magazine?

[52] You understand that?

A: Yes. Meaning periodical rights?

Q: Yes. What is it in that phrase that limits the distribution medium of the magazine to print?

Exhibit C-4

A: Well, that's a semantic question. It's a phrase that was long used to mean one thing. And it seems impossible that electronic rights, as a new concept, could suddenly be included in that phrase, when it had been practiced for years without that inclusion, or enforced for years without that inclusion.

* * *

[54] * * *

Q: Did you make the notation "one-time rights" on this invoice?

A: Yes.

Q: And what is that supposed to mean?

A: That means the magazine is free to publish the article once.

It doesn't guarantee that the magazine will be the first magazine to publish the article.

Q: Does it mean anything else?

A: It does not include electronic rights.

[55] **Q:** You're certain of that?

A: As I understand one-time rights.

Exhibit C-4

Q: On what do you base your understanding of one-time rights?

A: Standard industry practice and the Writer's Market which lists rights and defines them.

Q: Do you know whether this article is available on Nexis?

A: I don't know.

Q: Have you looked?

A: I haven't.

Q: And if it was available on Nexis, would you believe that your copyrights were being violated?

A: I would.

* * *

[70] * * *

Is it your testimony that it is universally accepted by publishers in the publishing industry that North American publication rights are rights exclusively limited to the print medium?

A: It's my understanding that that's — yes, that that's what editors presume when they use this in contracts.

Exhibit C-4

Q: And that microfilm and microfiche are excluded?

A: I don't have — I have no idea about how microfilm and microfiche relate to this.

Q: How is it that you are uncertain as to how microfilm and microfiche relate to this, but you are certain as to how CD-ROM versions of The New York Times relate to this?

A: Because CD-ROM and electronic usage are new technologies that are very broad and whose frontiers are yet undiscovered.

And that's something for me to be concerned about.

[89] * * *

Q: I apologize again if I have asked you this question previously, but we are close to finishing up and I want to make certain that I have covered a couple of issues.

So let me ask you whether, at the time you sold your first article to The New York Times in January of 1991, whether you knew The New York [90] Times was available across the country in microfilm and microfiche format?

A: When you say my first article —

Q: First article listed in paragraph 74 of the complaint.

A: Oh, okay. I wasn't aware.

Q: You did not know in 1991 that The New York Times was available in microfiche and microfilm, correct?

Exhibit C-4

A: Oh, oh, I'm sorry. I thought you were talking about electronic rights.

Q: No, I was talking about microfilm and microfiche.

A: I did know it was available in those forms.

Q: And is it your view that you sold The New York Times in connection with your article published on January 20th, 1991, microfilm and microfiche rights?

A: I didn't think about those rights. I thought only about print rights.

Q: Are you saying you have no view on the matter?

[91] **A:** On the matter of microfilm and microfiche?

Q: As to whether your article that you sold in 1991 to The New York Times conveyed to The New York Times the right to reproduce your article in microfilm and microfiche.

A: I didn't —

MS. BASS: Objection. I think it calls for a legal conclusion.

Q: I am asking if you know what you sold to The New York Times.

Do you know?

A: I know I sold them print rights. I don't know whether I sold them microfilm and microfiche rights.

Exhibit C-4

Q: Have you ever asked The New York Times to exclude your article from any of its microfilm or microfiche editions?

A: No.

Q: Have you ever asked it to exclude anything that you had written for them from any Nexis edition of the newspaper?

A: No.

Q: Have you ever asked them to do so in [92] connection with any CD-ROM version of the newspaper?

A: No.

Q: Why not?

A: Because my goal isn't to be excluded from those things.

My goal is to be asked permission if my work is going to be sold to such services.

* * *

[94] **Q:** Is this lawsuit costing you any money?

A: No.

Q: Who's paying for it?

Exhibit C-4

A: The National Writers Union.

Q: Where are they getting the money from?

A: The National Writers Union.

Q: All from union contributions, union member contributions?

A: I'm not sure about the breakdown. I'm sure, since we're affiliated with the UAW, there's support there.

Q: If this lawsuit did cost you any money, if you were liable, personally liable for any portion of funding it, would you participate in it?

A: I can't say that.

* * *

[95] * * *

Q: Have you ever attempted to sell any of your free-lance contributions to a second publisher after their original publication in —

A: Yes.

Q: — a first publisher's periodical?

A: Yes.

Exhibit C-4

Q: Have you ever done so in connection with any of the articles set forth in paragraph 74?

A: I don't believe so, no.

Q: For what articles have you attempted such resales?

[96] **A:** Well, the Success article in Exhibit DX 132.

Q: Yes?

A: That appeared both in Mirabella and in Success Magazine in varied form.

Q: To whom did you sell it first?

(Pause.)

A: It's hard to remember.

Q: Well —

A: I think it was Success who was first.

Q: So the resale was in connection with Mirabella?

A: Yes.

Q: When Mirabella agreed to purchase that article, did they know it had previously appeared in Success in some form?

Exhibit C-4

A: Yes. I got both assignments within the same week or two, and I told both editors about each other, and each editor said that's okay.

Q: We think it is Mirabella that was second.

Did Mirabella also ask, in addition to any question that they asked about Success, whether your article also would appear in any electronic [97] form?

A: No, they didn't.

Q: By virtue of its first publication?

A: No.

Q: So that was in no way any impediment or detriment to your possibility of selling that article to Mirabella, correct?

A: That —

Q: That possibility never came up?

A: No.

* * *

[100] * * *

Q: Is 1992 the first time you used Nexis?

A: Yes.

Exhibit C-4

Q: Do you know when in 1992 you used Nexis?

A: I don't. I'm not even certain it's '92 but it was around the time that the library first got Nexis.

Q: You never used it in college?

A: No.

Q: You never used it as a graduate student at Columbia?

A: No.

Q: NYU? Excuse me.

A: NYU. No. And subsequent to that, it was difficult to get access to. It's expensive and the library has limited usage times.

* * * *

EXHIBIT C-5 — DEPOSITION TRANSCRIPT OF SONIA JAFFE ROBBINS, DATED APRIL 11, 1995, pp. 1, 8-9, 18-19, 27, 33, 50-53, 55-58, 63, 74

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

Sonia J. Robbins
April 11, 1995

* * *

[1] . . . Deposition of SONIA JAFFE ROBBINS, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10022, on the 11th day of April 1995, commencing at 3:30 p.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

[8] * * *

Q: What did you do between 1969 and 1987?

A: Oh, dear. I should have brought my resume.

Actually, maybe I should have. When I finished my degree at City College, I got a job as a secretary, and then I became an assistant editor at Bobbs-Merrill, book publisher. I worked there for two and a half years. [9] Then I had a

daughter, and I was home and freelance editing and copy editing for about two years. Two and a half maybe, it may have been three years.

Then I started working part time at The Village Voice as a copy editor.

And I worked part time for about a year, full time for another two or three years.

Then I became the copy chief in 1979. I was copy chief and then became deputy managing editor until 1986, when I left to take a teaching job at New York University in the journalism department.

Q: Do you still hold a teaching job at the NYU journalism department?

A: I'm teaching, but part time, not full time.

* * *

[18] * * *

Q: Do you have a Nexis ID number

A: No.

Q: Does the department of journalism have a Nexis ID number?

[19] **A:** That's a good question. I have no idea.

Exhibit C-5

Q: But you have access to a Nexis ID number in order to access the Nexis service?

A: I probably do, but I've not, I've not used it.

Q: You've never used the Nexis service through your work at NYU?

A: I never have.

Q: Have you ever used the Nexis service for any reason at all?

A: I've never used it myself, no.

Q: Has anyone ever used it on —

A: Actually, I tried to use it once and I was very unsuccessful, so I left it alone.

Q: Do you remember when that was?

(Pause.)

A: I think it was sometime this semester.

Q: Why were you unsuccessful in your use of Nexis?

A: Probably because I was phrasing my search queries in the wrong way, but I wasn't finding anything that seemed useful.

* * *

Exhibit C-5

[27] * * *

Q: How long have you been a freelance writer?

A: I guess seven years.

* * *

[33] * * *

Q: Did you ever enter into any written agreements with any of the publishers who published your freelance work at all?

A: No, I never did.

* * *

[50] * * *

Q: The complaint goes on to allege in paragraphs beginning at paragraph 421 through about 429 that the article appears on the Nexis [51] database.

Is that allegation correct?

A: I have been told that it's correct. I don't know from my own personal knowledge.

Q: How did you learn that your article appears on Nexis?

A: Someone from the Writers Union called to tell me

that.

Q: When did that person call to tell you?

A: I don't recall exactly. It was — I think it was in the summertime, and I think it was two or three years ago.

No, I guess — no. I think it was two years ago.

Q: By two years ago, do you mean 1993?

A: I think so. Maybe it was three years ago.

As I say, I don't remember exactly.

* * *

[52] * * *

Q: Before you received that phone call, did you have any knowledge that that particular article appeared on Nexis?

A: No.

* * *

[53] **Q:** Have you ever used a CD-ROM to retrieve articles from a newspaper or magazine?

A: No.

* * *

Exhibit C-5

[55] * * *

Q: Did you ever talk with anyone in Newsday about the rights you were granting them in that article?

A: No.

Q: You never had any express discussions with anyone at Newsday before the article was published about rights?

A: No.

Q: Do you remember talking about the article at all with anyone at Newsday before it was published?

A: Just with the editor about — and when I queried her about whether she would be interested in the article.

Q: What was the name of the editor?

A: Annette Fuentes.

Q: What was the substance of your [56] conversation with her when you called assuming you did call to pitch the article?

A: I actually sent her a letter describing the article and she called me back saying that she was interested.

Q: What else did you talk about with Ms. Fuentes during that call?

Exhibit C-5

A: I think we probably talked about length, and I'm sure that we talked about money and due date.

* * *

[57] * * *

Q: Did the topic of the rights you were granting or any limitations on the rights you were granting come up in either of the two conversations you've just described?

A: No. Did not.

Q: Did you have any subsequent conversations with Ms. Fuentes, after the two that you've just described?

A: No.

[58] **Q:** After the two — sometime after the two conversations the article was published in Newsday, is that right?

A: Yes.

Q: After the article was published, did you ever have occasion to talk to anyone at Newsday about the article?

A: No.

Q: Did you receive a check in the mail for the article?

A: I did.

Exhibit C-5

Q: You said, I think, that you supposed the grant of rights you made to Newsday in "I Say Legal" was implicit.

A: Yes.

Q: Did you grant them the right to put the article on microfilm?

A: No.

Q: Do you know if it's on microfilm today?

A: I don't know.

Q: If it is on microfilm is that a violation of your rights under the copyright act?

A: I don't know.

* * *

[63] * * *

Q: When you sold "I Say Legal" to Newsday in 1991, did you know whether or not Newsday was available on Nexis?

A: I did not know.

* * *

Exhibit C-5

[74] * * *

Q: How did you come to be involved in this lawsuit?

A: Well, somebody from the Writers Union told me that, subsequent to my being told that my article was on Nexis, that the Writers Union was considering — that people were — members of the Writers Union were considering a lawsuit, and did I want to be a party to the suit.

And I said yes.

Q: Do you know why you were selected for a phone call soliciting your involvement in the lawsuit?

MS. BASS: Objection as to form.

A: Do I know why I was selected?

No, I don't.

* * * *

EXHIBIT C-6 — DEPOSITION TRANSCRIPT OF DAVID WHITFORD, DATED APRIL 10, 1995, pp. 1, 4-9, 12, 48-49, 59, 63, 66-67, 79-82

In The Matter Of:

Jonathan Tasini, et al

v.

New York Times Co., et al

David S. Whitford
April 10, 1995

* * *

DEPOSITION of DAVID S. WHITFORD, held at the offices of Debevoise & Plimpton, Esqs., 875 Third Avenue, New York, New York 10002, on the 10th day of April 1995, commencing at 3:45 p.m., before Morene Korenman-Bangel, a Shorthand Reporter and Notary Public of the State of New York, pursuant to Notice.

* * *

[4] * * *

A: I obtained my undergraduate degree at Brown University, and a graduate degree in journalism at Columbia. Master's degree.

* * *

Exhibit C-6

[5] * * *

A: In early 1994 I was a part-time free-lance journalist.

* * *

[6] * * *

Q: What did you do since 1982, when you received your masters, and 1986?

A: I worked at Sport Magazine.

Q: Full time?

A: Yes.

Q: What was your position at Sport Magazine?

A: I started as research editor, and I was associate editor at the end.

Q: What were your duties as research editor?

A: Fact-checking.

Q: And associate editor?

A: Writing and editing.

Q: Did you assign any writers stories while you were at Sport Magazine?

Exhibit C-6

[7] **A:** Yes, I did.

Q: Did you assign any free-lance writers stories while you were at Sport Magazine?

A: Yes, I did.

Q: Did Sport Magazine have a written agreement pursuant to which it assigned free-lance writers assignments?

A: To the best of my recollection, no.

Q: Those free-lance assignments, to the best of your recollection, were oral assignments?

A: Yes.

Q: And that was 1982 to 1986, correct?

A: Yes.

Q: For what years were you associate editor in that period?

A: To the best of my recollection, the final two years.

Q: Is it fair to say that Sport's practice at that time of assigning free-lancers assignments orally as opposed to in writing was representative of the magazine industry practice generally in the years 1984 to 1986?

A: I don't know enough to answer that question.

Exhibit C-6

[8] **Q:** Do you know enough today to know whether it is the practice of the publishing industry generally to assign free-lance writers assignments orally as opposed to in writing?

A: Today I would say that would be contrary to standard practice.

Q: Was there a period from 1986 to today when that was standard practice, as best you know?

A: When what was standard practice?

Q: Assigning free-lancers assignments orally as opposed to in writing.

A: Between 1986 and today?

Q: Correct. Today you say it would be contrary to current practice.

I want to know whether there was a period in between when it was representative of current practice.

A: I don't know when the change took place.

Q: You understand that there was a change at some point?

A: I understand that, to the best of my recollection, in the early eighties when I was at Sport Magazine, our practice was to assign stories orally.

Exhibit C-6

[9] And I understand that today, to the best of my knowledge, that's no longer standard practice in the magazine industry.

* * *

[12] * * *

Q: Excluding your books, can you tell me approximately what your average annual income from your free-lance contributions were?

A: Excluding the books. (Pause). Five or $6,000.

* * *

[48] * * *

Q: Does Nexis contain the full text of "Glory Amid Grief"?

A: I believe it does.

Q: Does Nexis contain the full text of the stories you contributed to Newsday?

A: I believe it does.

Q: Does Nexis contain the full text of every other article that appeared in the July 15th, 1991 issue of Sports Illustrated in which "Glory Amid [49] Grief" also appeared?

A: I don't know.

Exhibit C-6

Q: Haven't checked?

A: No.

* * *

[59] When did you first learn that "Baseball, a business, is striking out" was on Nexis?

Was it the same time that you discovered that "Glory Amid Grief" was?

A: Yes, to the best of my recollection.

Q: But when you found out about "Glory Amid Grief," which was the summer of 1991, as I recall your testimony, you were not researching in the Nexis database, were you?

A: No.

Q: Can you explain to me, then, when you first learned that "Glory Amid Grief" was on Nexis?

A: When I first learned that "Glory Amid Grief" was on Nexis, as opposed to another electronic database?

Q: Yes.

A: That would have been when — it would have been confirmed to me at a time a search was made in connection with this lawsuit.

* * *

Exhibit C-6

[63] * * *

Q: In the case of Newsday and in the case of Sports Illustrated, did you conduct the negotiations directly with those publishers over your article, to the extent that there were any negotiations?

A: Yes.

Q: Were there any negotiations in connection with the Newsday article?

A: No.

* * *

[66] * * *

Q: By 1991, the year in which you submitted "Glory Amid Grief" for publication, were you aware that major periodicals, such as Sports Illustrated, were available on microfilm and microfiche?

A: No, I don't think I was.

Q: By 1992, when you submitted your article to Newsday, were you aware that major periodicals such as Newsday were available on microfilm or [67] microfiche?

A: Yes.

Exhibit C-6

Q: What changed, if anything, between 1991 and 1992 with respect to the state of your knowledge regarding microfilm and microfiche?

A: My understanding of microfilm and microfiche was that major newspapers were available. Sports Illustrated is a magazine. Not a newspaper.

Q: Is that your understanding today that magazines are not included?

A: I've never seen a magazine on microfiche.

Q: Or microfilm?

A: Correct.

* * *

[79] * * *

Q: Isn't it the fact, Mr. Whitford, that even if Sports Illustrated's contract had used the words "North American magazine publication rights" [80] or maybe "North American serial publication rights," terms that you and I have discussed earlier and that I know you to be familiar with, that would not necessarily exclude CD-ROM or Nexis or microfilm versions of the magazine?

A: My understanding is that it would exclude those media.

* * *

Exhibit C-6

[81] * * *

Q: Let me try it another way, see if it eliminates the confusion.

Are you aware of whether as a matter of industry practice, publishers have taken the position for years that grants of North American rights or North American serial rights or North American magazine rights, which are often in my experience used interchangeably — do you agree with that?

A: Magazine rights and serial rights?

Q: Yes.

A: Yes.

[82] **Q:** Don't at least some publishers in the industry make it their practice to include within the scope of such rights their right to include free-lance contributions in electronic databases?

A: Let me answer by saying that I was shocked in July 1991 to discover that apparently Time, Inc. and Times Mirror included electronic rights in their definition of first North American serial rights.

* * * *

RULE 3(g) STATEMENT OF UNDISPUTED MATERIAL FACTS SUBMITTED ON BEHALF OF DEFENDANTS THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION AND UNIVERSITY MICROFILMS INC., DATED FEBRUARY 22, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 Civ. 8678 (SS)

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs,

– v. –

THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION and UNIVERSITY MICROFILMS INC.,

Defendants.

RULE 3(g) STATEMENT OF UNDISPUTED MATERIAL FACTS SUBMITTED ON BEHALF OF DEFENDANTS THE NEW YORK TIMES COMPANY, NEWSDAY, INC., TIME INC., THE MEAD CORPORATION AND UNIVERSITY MICROFILMS INC.

Pursuant to Local Civil Rule 3(g) of this Court, defendants The New York Times Company (the "Times

Co."), Newsday, Inc. ("Newsday"), Time Inc. ("Time"), LEXIS/NEXIS ("NEXIS") (formerly The Mead Corporation), and UMI Company (formerly University Microfilms Inc.) ("UMI") (collectively, the "Defendants"), submit the following statement of material facts as to which there is no genuine issue to be tried:

A. *Background.*

1. *The Times Co.*

1. The Times Co. publishes, and at all times relevant to this action published, on a daily basis, the well-known and widely-read newspaper *The New York Times*. (Amended Complaint ¶ 17; Answer ¶ 17; Declaration of James E. Patterson ("Patterson Dec.") ¶ 1).

2. For many years, issues of *The New York Times* have been reproduced and distributed in a variety of formats, and are now available on paper, microfilm, microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals. (Patterson Dec. ¶ 3).

3. Each daily issue of *The New York Times*, going back to approximately 1851, is available on microfilm and/or microfiche, and has been for decades. (Patterson Dec. ¶ 4).

4. Issues of *The New York Times* have been available in the NEXIS computerized library of periodicals since approximately July 1983. Currently, each daily issue of *The New York Times*, going back to approximately June

1980, is available in the NEXIS computerized library. (Patterson Dec. ¶ 5; Declaration of Richard Petrosino ("Petrosino Dec.") ¶ 3).

5. Issues of *The New York Times* have been available on UMI CD-ROM products since approximately April 1992. Currently, each daily issue of *The New York Times*, going back to approximately January 1981, is available in this format. (Patterson Dec. ¶ 6; Declaration of John Riedel ("Riedel Dec.") ¶ 3).

6. Issues of *The New York Times Magazine* and *The New York Times Book Review* have been available on UMI CD-ROM products since approximately August 1990. Currently, each weekly issue of *The New York Times Magazine* and *The New York Times Book Review*, going back to approximately January 1988, is available in this format. (Patterson Dec. ¶ 7; Riedel Dec. ¶ 8).

7. The Times Co. provides, and at all times relevant to this action provided, the full text of all of the articles in each daily issue of *The New York Times* to NEXIS on a daily basis by electronically transmitting to NEXIS a complete copy of the same computer text-files the printers use to create that day's paper edition of *The New York Times*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that day's edition of the newspaper, as well as headlines, photograph captions and by-lines, and page and section references. (Patterson Dec. ¶ 8; Petrosino Dec. ¶ 5; Deposition of James E. Patterson ("Patterson Dep.") at 35-37; Deposition of Richard Petrosino ("Petrosino Dep.") at 36-37).

Rule 3(g) Statement

8. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety the complete, identical textual content of all of the articles that appeared in the paper edition of a particular daily issue of *The New York Times*. (Patterson Dec. ¶ 9; Petrosino Dec. ¶ 11; Patterson Dep. at 57-58).

9. The Times Co. provides, and at all times relevant to this action provided, the full text of all articles in each daily edition of *The New York Times* to UMI for publication in CD-ROM format. This is accomplished through LEXIS/NEXIS which, at the Times Co.'s request, provides, and at all times relevant to this action provided, to UMI, on a monthly basis, a magnetic tape containing a copy of the computer text-files the printers used to create each of the preceding month's daily editions of *The New York Times* as described in paragraph 7. Thus, UMI also receives the complete textual content of every article that appeared in the preceding month's daily editions of the newspaper, as well as headlines, photograph captions and by-lines, and page and section references. (Patterson Dec. ¶ 10; Riedel Dec. ¶¶ 4-6).

10. Each weekly edition of *The New York Times Book Review* and *The New York Times Magazine* is, and at all times relevant to this action was, made available to UMI for publication in CD-ROM format by providing UMI, on a weekly basis, paper copies of the preceding week's issues of *The New York Times Book Review* and *The New York Times Magazine*. (Patterson Dec. ¶ 12; Riedel Dec. ¶ 9).

Rule 3(g) Statement

2. *Newsday.*

11. Newsday publishes, and at all times relevant to this action published, on a daily basis, the well-known and widely-read newspaper *Newsday*. (Amended Complaint ¶ 18; Declaration of Robert Keane ("Keane Dec.") ¶ 1).

12. For many years, issues of *Newsday* have been reproduced and distributed in variety of formats, and are now available on paper and microfilm and in the NEXIS computerized library of periodicals. (Keane Dec. ¶ 10).

13. Each daily issue of *Newsday*, going back to approximately the 1970's, is available on microfilm and has been for decades. (Keane Dec. ¶ 11).

14. Each daily issue of *Newsday*, going back to approximately 1988, is available in the NEXIS computerized library of periodicals and has been since approximately 1988. (Keane Dec. ¶ 12).

15. Newsday provides, and at all times relevant to this action provided, to NEXIS the full text of all of the articles in each daily edition of *Newsday* by electronically transmitting to NEXIS on a daily basis a complete copy of the same computer text-files the printers use to create that day's paper edition of *Newsday*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that day's edition of the newspaper, as well as headlines, photograph captions and by-lines, and page and section references. (Keane Dec. ¶ 13; Deposition of Mary Anne Skinner ("Skinner Dep.") at 19, 22, 64-65).

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16. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety the complete, identical textual content of all of the articles that appeared in the paper edition of a particular issue of *Newsday*. (Keane Dec. ¶ 14; Skinner Dep. at 19, 64-65).

3. *Time*.

17. Time publishes, and at all times relevant to this action published, on a weekly basis the well-known and widely-read magazine *Sports Illustrated*. (Amended Complaint ¶ 19; Declaration of Christopher Hunt ("Hunt Dec.") ¶ 1).

18. For many years, issues of *Sports Illustrated* have been reproduced and distributed in a variety of formats, and are now available on paper, microfilm and/or microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals. (Declaration of Lany McDonald ("McDonald Dec.") ¶ 3).

19. Each weekly issue of *Sports Illustrated*, going back to approximately August 1954, is available on microfilm and/or microfiche and has been for decades. (McDonald Dec. ¶ 4).

20. Weekly issues of *Sports Illustrated* have been available in the NEXIS computerized library of periodicals since approximately 1982. Each weekly issue of *Sports Illustrated*, going back to approximately December 1981, presently is available in the NEXIS computerized library. (McDonald Dec. ¶ 5).

Rule 3(g) Statement

21. Weekly issues of *Sports Illustrated* have been available on UMI CD-ROM products since approximately August 1990. Each weekly issue of *Sports Illustrated*, going back to January 11, 1988, presently is available on such products. (McDonald Dec. ¶ 6).

22. Time provides, and at all times relevant to this action provided, the full text of all of the articles in each weekly edition of *Sports Illustrated* to NEXIS on a weekly basis by delivering to NEXIS a complete copy of the same computer text-files the printers used to create that week's paper edition of *Sports Illustrated*. The copy transmitted to NEXIS includes the full text of all of the articles that appear in that week's edition of the magazine, as well as titles, photograph captions, by-lines and page references. (McDonald Dec. ¶ 7).

23. As a result of this process, a NEXIS user can, and at all times relevant to this action could, retrieve in its entirety the complete, identical textual content of all of the articles that appeared in the paper edition of a particular weekly issue of *Sports Illustrated*. (McDonald Dec. ¶ 8).

4. *NEXIS*.

24. At all times relevant to this action, NEXIS owned and operated a computerized library of periodicals available to the public, and at public and private schools, libraries and businesses nationwide. (Petrosino Dec. ¶ 1).

25. The computerized library of periodicals operated by NEXIS currently comprises approximately 5,800

different news and business information sources, including *The New York Times*, *Newsday*, and *Sports Illustrated*. (Petrosino Dec. ¶ 1).

26. From approximately July 1983 to the present, each daily issue of *The New York Times* has been placed in the NEXIS computerized library of periodicals. (Petrosino Dec. ¶ 3).

27. From approximately 1988 to the present, each daily issue of *Newsday* has been placed in NEXIS's computerized library of periodicals. (Petrosino Dec. ¶ 4).

28. NEXIS assembles, and at all times relevant to this action assembled, its collection of issues of *The New York Times* and *Newsday* by receiving on a daily basis from the Times Co. and Newsday, respectively, an electronic transmission of the complete computer text-files used by printers to create that day's paper editions of *The New York Times* and *Newsday*. (Petrosino Dec. ¶ 5; Patterson Dep. 34-37).

29. After receiving the electronic transmissions from the Times Co. and Newsday, NEXIS transfers, and at all times relevant to this action transferred, the content of each day's articles in their entirety, and without substantive revision, to its computerized library. As a result, the textual content of each daily edition of the *New York Times* and *Newsday* in the NEXIS computerized library is substantively identical to the daily editions printed on paper and the microfilm and microfiche editions of each newspaper. Present, but invisible to any user, are certain codes that have

been added for indexing and search purposes so that particular editions, and the information within them, can be located within the computerized library. (Petrosino Dec. ¶ 6).

30. From approximately 1982 to the present, each weekly issue of *Sports Illustrated* has been available in NEXIS's computerized library. (Petrosino Dec. ¶ 8).

31. NEXIS assembles its collection of issues of *Sports Illustrated* by receiving from Time on a weekly basis an electronic transmission of the complete computer text-files used by the printers to create that week's edition of *Sports Illustrated*. (Petrosino Dec. ¶ 9).

32. After receiving the electronic transmission from Time, NEXIS transfers the content of each week's articles in their entirety, and without substantive revision, to its computerized library. As a result, the textual content of each weekly edition of *Sports Illustrated* in the NEXIS computerized library is substantively identical to the weekly editions printed on paper and the microfilm, microfiche and CD-ROM editions of the magazine. As is true with respect to *The New York Times* and *Newsday*, present, but invisible to any user, are certain codes that have been added for indexing and search purposes so that particular issues and the information within them can be located within the computerized library. (Petrosino Dec. ¶ 10).

33. As a result of these steps, the complete, identical textual content of all of the articles in each daily edition of *The New York Times* and *Newsday*, and each weekly edition

of *Sports Illustrated*, is, and at all times relevant to this action was, available to users of the NEXIS computerized library within 24 hours of the publication date of these periodicals. (Petrosino Dec. ¶¶ 7, 11).

34. As a result of technical limitations, and in order to reduce expense and maximize load capacity, NEXIS does not include photographs in its computerized library, and it presents each day's articles in a standard full page format, rather than in a columnar format. Each NEXIS library entry does, however, include, with respect to each daily issue of *The New York Times* and *Newsday*, and each weekly issue of *Sports Illustrated*, the page and section references of articles as they appear in the paper editions. (Petrosino Dec. ¶ 12).

35. Because the NEXIS computerized library includes the complete, identical textual content of all articles appearing in each daily issue of *The New York Times* or *Newsday*, and each weekly issue of *Sports Illustrated*, *The New York Times Book Review* and *The New York Times Magazine* (with additional computer codes that assist research), a person using NEXIS can search for and retrieve in its entirety the complete text of any particular issue or information contained therein. (Petrosino Dec. ¶ 13).

5. *UMI.*

36. At all times relevant to this action, UMI produced and distributed products used for academic, business and other research purposes, including microfilm, microfiche and CD-ROMs containing daily issues of

newspapers and weekly or monthly issues of magazines. (Declaration of John Riedel ("Riedel Dec.") ¶ 1).

37. At all times relevant to this action, these products were available to, among others, public and private libraries, schools, universities and businesses throughout the United States. (Riedel Dec. ¶ 1).

38. From approximately April 1992 to the present, each daily issue of *The New York Times* has been reproduced in its entirety on a UMI CD-ROM product known as "The New York Times OnDisc" ("Times OnDisc"). These daily issues are available on Times OnDisc for all years from 1981 forward. (Riedel Dec. ¶ 3; Deposition of Patrick M. Guiant ("Guiant Dep.") at 13-14).

39. UMI assembles, and at all times relevant to this action assembled, Times OnDisc by receiving from NEXIS, on a monthly basis and at Times Co.'s request, a magnetic tape containing copies of the complete computer text-files used by the printers to create each of the preceding month's daily editions of *The New York Times*. (Patterson Dec. ¶ 10; Riedel Dec. ¶ 4).

40. After receiving the magnetic tape from NEXIS, UMI transfers the content of the articles in their entirety, and without revision, to CD-ROM discs. The textual content of each day's edition of *The New York Times* that appears on UMI's Times OnDisc product is substantively identical to the paper, microfilm and microfiche editions of the newspaper. Present, but invisible to any user, are certain codes that have been added to the Times OnDisc product for

indexing and search assistance purposes so that particular editions, and the information within them, can be located on the CD-ROM disc. The final product also includes abstracts of certain of the articles that appear in the daily edition, which are added for research purposes. (Riedel Dec. ¶ 5).

41. As a result of technical limitations, and in order to reduce expense and maximize load capacity, UMI does not include photographs on its Times OnDisc product, and it presents each day's articles in a standard full page format, rather than in a columnar format. For accuracy and research purposes, the Times OnDisc product also includes, with respect to each daily issue of *The New York Times*, the page and section references of all articles as they appear in the paper, microfilm, microfiche and NEXIS editions of the newspaper. (Riedel Dec. ¶ 6).

42. Because the Times OnDisc product includes the complete, identical textual content of all articles that appeared in each day's edition of *The New York Times* (with additional computer codes and some short abstracts that assist research), a person using Times OnDisc can, and at all times relevant to this action could, search for and retrieve in its entirety the complete text of any particular daily issue or information contained therein. (Riedel Dec. ¶ 7).

43. From approximately August 1990 to the present, each weekly issue of *The New York Times Magazine* and *The New York Times Book Review* has been reproduced in its entirety on a UMI CD-ROM product known as "General Periodicals Ondisc". The weekly issues of these periodicals are available for all years from approximately January 1988 forward. (Patterson Dec. ¶ 12; Riedel Dec. ¶ 8).

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44. UMI assembles, and at all times relevant to this action assembled, its "General Periodicals Ondisc" by digitally scanning complete copies of each of the preceding week's paper editions of *The New York Times Magazine* and *The New York Times Book Review*. Because these copies are digitally scanned page-by-page, the entire content of each weekly edition of *The New York Times Magazine* and *The New York Times Book Review* that appears on UMI's "General Periodicals Ondisc" is identical — including with respect to photographs and layout — to the paper, microfilm and microfiche editions. Present, but invisible to any user, are certain codes that have been added for indexing and search purposes so that particular issues, and the information within them, can be located on the CD-ROM disc. (Riedel Dec. ¶ 9).

45. Accordingly, a person using "General Periodicals Ondisc" can, and at all times relevant to this action could, search for and retrieve in its entirety the complete textual, photographic and advertising content of a particular weekly issue of *The New York Times Magazine* or *The New York Times Book Review* or information contained therein. (Riedel Dec. ¶ 10).

B. *Freelance Writers.*

46. Freelance writers, including plaintiffs, generally submit articles to publications either without first having made any arrangement with a publication to write an article, or after having been hired by a publication for the limited purpose of writing an article on a specific topic. (Declaration of Dennis Stern ("Stern Dec.") ¶ 3; Keane Dec. ¶ 3; Hunt

Dec. ¶ 3; Deposition of Jonathan Tasini ("Tasini Dep.") at 9-12; Deposition of Mary Kay Blakely ("Blakely Dep.") at 13-16; Deposition of Barbara Garson ("Garson Dep.") at 6-10; Deposition of Sonia Jaffe Robbins ("Robbins Dep.") at 27-29).

47. At all times relevant to this action, the Times Co., Newsday, and Time each published issues of their respective publications containing both articles written by their employees and articles submitted by freelance writers. (Stern Dec. ¶ 2; Keane Dec. ¶ 2; Hunt Dec. ¶ 2).

48. Although freelance writers may on occasion have had express agreements with the publishers of *The New York Times* and *Newsday* relating to the creation and submission of articles, most freelance writers sell, and at all times relevant to this action sold, articles to these publications without any such agreements. (Stern Dec. ¶ 4; Keane Dec. ¶ 4).

49. At all times relevant to this action, virtually all freelance assignments for *Sports Illustrated* were, and for many years had been, awarded and completed pursuant to a standard written agreement between the freelance writer and *Sports Illustrated*. The standard agreement referred to, among other things, the topic and length of the article, as well as the date on which it was due and the price to be paid. (Hunt Dec. ¶ 4).

50. At all times relevant to this action, the publishers of *The New York Times*, *Newsday* and *Sports Illustrated* published the entire contents of their respective periodicals

— including all articles obtained from freelance writers — in various media including paper, microfilm, microfiche, NEXIS and CD-ROM. In no case did a freelance writer successfully negotiate to prevent any of these publishers from exercising the right to publish its publication in formats other than paper, including electronic media. (Stern Dec. ¶ 5; Hunt Dec. ¶ 6; Keane Dec. ¶ 6; Tasini Supplemental Dep. at 24-26).

C. *The Articles at Issue.*

1. *The Tasini Articles.*

51. In or about September 1989, plaintiff Jonathan Tasini ("Tasini") submitted an article entitled "Striking Miners Dig In For Sit-In at Pittston Plant" to Newsday for publication. (Tasini Dep. at 183).

52. On the check by which Newsday paid Tasini for the article entitled "Striking Miners Dig In For Sit-In at Pittston Plant" ("Tasini's First Newsday Check"), which Tasini received in or about October 1989 (Tasini Dep. at 185), Newsday included the following printed endorsement:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

(Tasini Dep. Exhibit 119).

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53. This endorsement expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Tasini's article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

54. Tasini signed the back of Tasini's First Newsday Check and deposited it without altering the endorsement. (Tasini Dep. at 189; Tasini Dep. Exhibit 119).

55. In or about December 1989, Tasini submitted an article entitled "Labor Unions Fine-Tune Battle Strategies" to Newsday for publication. (Tasini Dep. at 219).

56. On the check by which Newsday paid Tasini for the article "Labor Unions Fine-Tune Battle Strategies" ("Tasini's Second Newsday Check"), Newsday included the same printed endorsement that had appeared on Tasini's First Newsday Check. (Tasini Dep. at 219-220; Tasini Dep. Exhibit 122A).

57. This endorsement again expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Tasini's article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

58. Tasini signed the back of Tasini's Second Newsday Check. (Tasini Dep. at 219).

59. At the time Tasini signed the back of this check, he altered the printed endorsement by crossing out the

reference to electronic library archives. (Tasini Dep. at 219-20).

60. Tasini made no effort to inform anyone at Newsday that he had altered the endorsement on Tasini's Second Newsday check. (Tasini Dep. at 220-21).

61. No one employed by Newsday became aware of Tasini's alteration to the endorsement on Tasini's Second Newsday Check until long after the article "Labor Unions Fine-Tune Battle Strategies" had been published and Tasini had been paid for the article. (Keane Dec. ¶ 9).

62. In or about March 1990, Tasini submitted an article entitled "Proposed Teamsters Election Rules Spark Criticism From Dissidents" to Newsday for publication. On the check by which Newsday paid Tasini for the article, ("Tasini's Third Newsday Check"), Newsday included the identical endorsement concerning rights as had appeared on Tasini's First Newsday Check and on Tasini's Second Newsday Check. (Tasini Dep. at 198-202; Tasini Dep. Exhibit 120).

63. This endorsement again expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Tasini's article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

64. Tasini signed the back of Tasini's Third Newsday Check and deposited it without altering the endorsement. (Tasini Dep. at 202; Tasini Dep. Exhibit 120).

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65. In 1991, Tasini submitted an article entitled "Can It Be Morning in Teamsterland?" to the Times Co. for publication. (Tasini Admissions 1, 1(a)).

66. Tasini did not have an express written or oral agreement with the Times Co. concerning the transfer or retention of any copyright rights in "Can It Be Morning in Teamsterland?". (Tasini Admissions 1(c), 1(d); Tasini Dep. at 105-06).

67. Tasini did not expressly limit, or attempt to expressly limit, the media in which the edition of *The New York Times* containing "Can It Be Morning in Teamsterland?" was to appear, nor did he otherwise expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in the article. (Tasini Admission 1(e); Tasini Dep. at 106).

68. In or about October 1992 and April 1993, Tasini submitted articles entitled, respectively, "Say Adios to American Jobs" and "A Union Boss' Labor Pains" to Newsday for publication. (Tasini Admissions 2, 2(a), 3, 3(a)).

69. Tasini did not have an express written or oral agreement with Newsday concerning the transfer or retention of any copyright rights in either "Say Adios to American Jobs" or "A Union Boss' Labor Pains." (Tasini Admissions 2(c), 2(d), 3(c), 3(d); Tasini Dep. at 150-52).

70. Tasini did not expressly limit, or attempt to expressly limit, the media in which the editions of *Newsday* containing "Say Adios to American Jobs" or "A Union Boss'

Labor Pains" were to appear, nor did he otherwise expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in either article. (Tasini Admissions 2(e), 3(e); Tasini Dep. at 150-52, 206).

71. On checks with which Newsday paid Tasini for the articles "Say Adios to American Jobs" and "A Union Boss' Labor Pains" ("Tasini's Fourth and Fifth Newsday Checks"), Newsday included the same printed endorsement that had appeared on Tasini's First Newsday Check, Tasini's Second Newsday Check and Tasini's Third Newsday Check. (Tasini Admissions 2(n), 2(p), 3(n), 3(p); Tasini Admissions Exhibits A, B; Tasini Dep. at 202-205).

72. These endorsements again expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Tasini's two articles and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

73. Tasini signed the backs of Tasini's Fourth and Fifth Newsday Checks. (Tasini Admissions 2(o), 3(o); Tasini Admissions Exhibits A, B).

74. At the time Tasini signed the backs of these checks, he altered the printed endorsements by crossing out the references to electronic library archives. (Tasini Admissions 2(p), 3(p); Tasini Admissions Exhibits A, B; Tasini Dep. at 204-205).

75. Tasini made no effort to inform anyone at Newsday that he had altered the endorsements on Tasini's Fourth and Fifth Newsday checks. (Tasini Dep. at 209-10).

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76. No one employed by Newsday became aware of Tasini's alterations to the endorsements on Tasini's Fourth and Fifth Newsday Checks until long after the articles "Say Adios to American Jobs" and "A Union Boss' Labor Pains" had been published and Tasini had been paid for the articles. (Keane Dec. ¶ 9).

2. *The Blakely Articles.*

77. In 1990, plaintiff Mary Kay Blakely ("Blakely") submitted articles entitled "The Heart Is a Large Place", "Who Did It? And What Does It All Mean?" and "Remembering Jane" to the Times Co. for publication. (Blakely Admissions 1, 1(a), 2, 2(a), 3, 3(a)).

78. Blakely had no express written or oral agreement with the Times Co. concerning the transfer or retention of any copyright rights in "The Heart Is a Large Place", "Who Did It? And What Does It All Mean?" or "Remembering Jane." (Blakely Admissions 1(c), 1(d), 2(c), 2(d), 3(c), 3(d); Blakely Dep. at 67-70).

79. Blakely did not expressly limit, or attempt to expressly limit, the media in which editions of *The New York Times* in which "The Heart Is a Large Place", "Who Did It? And What Does It All Mean?" or "Remembering Jane" were to appear, nor did she otherwise expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in any of these articles. (Blakely Admissions 1(e), 2(e), 3(e); Blakely Dep. at 67-70).

80. At the time Blakely submitted these articles to the Times Co., she was aware that major newspapers,

including *The New York Times*, were available in formats other than paper. (Blakely Admission 6; Blakely Dep. at 60-61).

3. *The Garson Articles.*

81. In 1991 and 1992, plaintiff Barbara Garson ("Garson") submitted the articles entitled "Health Care Vs. Death Care", "The Common Good Is Swept Aside By the 'Me Generation' ", "In 'JFK' We Feel the Pull of Our Lost Innocence" and "Networks That Serve the Unconnected" to Newsday for publication. (Garson Admissions 1, 1(a), 2, 2(a), 3, 3(a), 4, 4(a)).

82. Garson had no express written or oral agreement with Newsday concerning the transfer or retention of any copyright rights in "Health Care Vs. Death Care", "The Common Good Is Swept Aside By the 'Me Generation' ", "In 'JFK' We Feel the Pull of Our Lost Innocence" or "Networks That Serve the Unconnected." (Garson Admissions 1(c), 1(d), 2(c), 2(d), 3(c), 3(d), 4(c), 4(d); Garson Dep. at 99-100).

83. Garson did not expressly limit, or attempt to expressly limit, the media in which the editions of *Newsday* in which "Health Care Vs. Death Care", "The Common Good Is Swept Aside By the 'Me Generation' ", "In 'JFK' We Feel the Pull of Our Lost Innocence" or "Networks That Serve the Unconnected" were to appear, nor did she expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in any of these articles. (Garson Admissions 1(e), 2(e), 3(e), 4(e); Garson Dep. at 99-100).

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84. On checks with which Newsday paid Garson for the articles "Health Care Vs. Death Care", "The Common Good Is Swept Aside By the 'Me Generation' ", "In 'JFK' We Feel the Pull of Our Lost Innocence" and "Networks That Serve the Unconnected," (the "Newsday Garson Checks"), Newsday included the following printed endorsement:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

(Garson Admissions 1(n), 1(p), 2(n), 2(p), 3(n), 3(p), 4(n), 4(p); Garson Admissions Exhibits A, B, C, D).

85. This endorsement expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Garson's four articles and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

86. Garson signed the backs of each of the Newsday Garson Checks and deposited them without altering the endorsements. (Garson Admissions 1(o), 2(o), 3(o), 4(o); Garson Admissions Exhibits A, B, C, D; Garson Dep. at 106-08).

87. After the commencement of this action, Garson received an additional check from Newsday for another

freelance article published in *Newsday* bearing the printed endorsement described above. On that check, Garson altered the endorsement to remove any reference to electronic archival rights. (Garson Dep. at 111-13).

4. *The Mifflin Articles.*

88. Between 1990 and 1993, plaintiff Margot Mifflin ("Mifflin") submitted articles entitled "The Auteur Theory of Music Video Means No More Pretty Cliches", "Down by the River", "A Spectator in Morocco", "England's Dreaming", "They're Morocco Bound", "A Little Ishmael", "Beyond Recognition" and "The Desert" to the Times Co. for publication. (Mifflin Admissions 1, 1(a), 2, 2(a), 3, 3(a), 4, 4(a), 4(b), 5, 5(a), 6, 6(a), 7, 7(a), 8, 8(a)).

89. Mifflin had no express written or oral agreement with the Times Co. concerning the transfer or retention of any copyright rights in "The Auteur Theory of Music Video Means No More Pretty Cliches", "Down by the River", "A Spectator in Morocco", "England's Dreaming", "They're Morocco Bound", "A Little Ishmael", "Beyond Recognition" or "The Desert." (Mifflin Admissions 1(c), 1(d), 2(c), 2(d), 3(c), 3(d), 4(c), 4(d), 5(c), 5(d), 6(c), 6(d), 7(c), 7(d), 8(c), 8(d); Deposition of Margo Mifflin ("Mifflin Dep.") at 31, 46.)

90. Mifflin did not expressly limit, or attempt to expressly limit, the media in which the editions of *The New York Times* in which "The Auteur Theory of Music Video Means No More Pretty Cliches", "Down by the River", "A Spectator in Morocco", "England's Dreaming", "They're

Morocco Bound", "A Little Ishmael", "Beyond Recognition" or "The Desert" were to appear, nor did she otherwise expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in these articles. (Mifflin Admissions 1(e), 2(e), 3(e), 4(e), 5(e), 6(e), 7(e), 8(e); Mifflin Dep. at 46).

91. Prior to the time that Mifflin submitted these articles to the Times Co., she was aware that articles published in *The New York Times* were available on microfilm and/or microfiche. (Mifflin Dep. at 30).

5. *The Robbins Article.*

92. In 1991, plaintiff Sonia Jaffe Robbins ("Robbins") submitted an article entitled "I Say Legal, They Say Dirty" to Newsday for publication. (Robbins Admissions 1, 1(a)).

93. Robbins had no express written or oral agreement with Newsday concerning the transfer or retention of any copyright rights in "I Say Legal, They Say Dirty." (Robbins Admissions 1(c), 1(d); Robbins Dep. at 55, 81-82).

94. Robbins did not expressly limit, or attempt to expressly limit, the media in which the edition of *Newsday* in which "I Say Legal, They Say Dirty" was to appear, nor did she otherwise expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in this article. (Robbins Admission 1(e); Robbins Dep. at 55, 81-82).

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95. On the check with which Newsday paid Robbins for the article entitled "I Say Legal, They Say Dirty" ("Robbins' Newsday Check") Newsday included the following printed endorsement:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

(Robbins Admissions 1(n), 1(p); Exhibit A).

96. This endorsement expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Robbins' article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

97. Robbins signed the back of Robbins' Newsday Check and deposited it without altering the endorsement. (Robbins Admission 1(o); Robbins Admissions Exhibit A; Robbins Dep. at 80-82).

6. *The Whitford Articles.*

98. In or about November 1990, plaintiff David S. Whitford ("Whitford") submitted an article entitled "It's Folly For the Major Leagues to Try to Remake the Minors" to Newsday for publication. (Deposition of David S. Whitford ("Whitford Dep.") at 90-92).

Rule 3(g) Statement

99. On the check with which Newsday paid Whitford for the article entitled "It's Folly For the Major Leagues to Try to Remake the Minors" ("Whitford's First Newsday Check"), which Whitford received on approximately December 17, 1990 (Whitford Dep. at 91-92), Newsday included the following printed endorsement:

> Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

(Whitford Dep. Exhibit 126).

100. This endorsement expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Whitford's article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

101. After receiving Whitford's First Newsday Check, Whitford read the endorsement concerning electronic library archives and engaged in a discussion about the endorsement with Martin Hollander, a *Newsday* editor. (Whitford Dep. at 29-30, 92; Whitford Supplemental Dep. at 20-23).

102. After that discussion, Whitford signed the back of Whitford's First Newsday Check and deposited it without

altering the endorsement. (Whitford Dep. at 92, 94; Whitford Dep. Exhibit 126).

103. In or about 1991, Whitford submitted an article entitled "Glory Amid Grief" to *Sports Illustrated* for publication. (Whitford Admission 2(a); Whitford Dep. at 31).

104. Whitford had an express written agreement with *Sports Illustrated* concerning the submission of "Glory Amid Grief." (Hunt Dec. ¶¶ 4-5; Whitford Admission 2(f)).

105. Whitford's written agreement with *Sports Illustrated* expressly granted *Sports Illustrated* the right first to publish "Glory Amid Grief" in *Sports Illustrated*, without any express limitation as to the media in which the magazine could be published. (Hunt Dec. ¶ 5-6; Whitford Dep. Exhibit 123A).

106. Whitford did not expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in "Glory Amid Grief," in the agreement with *Sports Illustrated* or otherwise. (Hunt Dec. ¶ 5-6; Whitford Admission 2(g); Whitford Dep. at 86-87).

107. In 1992, Whitford submitted an article entitled "Baseball, A Business, Is Striking Out" to Newsday for publication. (Whitford Admission 1(a); Whitford Dep. at 66-67, 68).

108. Whitford had no express written or oral agreement with Newsday concerning the transfer or retention of any copyright rights in "Baseball, A Business, Is Striking

Out." (Whitford Admissions 1(c), 1(d); Whitford Dep. at 62-63).

109. Whitford did not expressly limit, or attempt to expressly limit, the media in which the edition of *Newsday* in "Baseball, A Business, Is Striking Out" was to appear, nor did he expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in this article. (Whitford Admission 1(e); Whitford Dep. at 62).

110. On the check with which Newsday paid Whitford for the article entitled "Baseball, A Business, Is Striking Out" (Whitford's Second Newsday Check"), Newsday included the same endorsement concerning rights as had been included on Whitford's First Newsday Check. (Whitford Admissions 1(n), 1(p); Whitford Admissions Exhibit A; Whitford Dep. at 93-94).

111. This endorsement again expressly confirmed Newsday's understanding of the scope of the rights it had acquired to Whitford's article and reflected its practice, first begun in 1988, of reproducing and distributing its periodicals in electronic form. (Keane Dec. ¶¶ 8, 12).

112. Whitford signed the back of Whitford's Second Newsday Check and deposited it without altering the endorsement. (Whitford Admission 1(o); Whitford Admissions Exhibit A; Whitford Dep. at 94).

Rule 3(g) Statement

Dated: New York, New York
February 22, 1996

Respectfully submitted,

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The New York Times Company,
Newsday, Inc., Time Inc.,
LEXIS/NEXIS and UMI
Corporation

PLAINTIFFS' RESPONSE TO THE DEFENDANTS' RULE 3(g) STATEMENT, DATED MAY 21, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

93 CIV. 8678(SS)

JONATHAN TASINI, et al.

Plaintiffs

– against –

THE NEW YORK TIMES CO.,
NEWSDAY, INC., et al.

Defendants.

PLAINTIFFS' RESPONSE TO THE DEFENDANTS' RULE 3(g) STATEMENT

Pursuant to Local Civil Rule 3(g) of this Court, Plaintiffs Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins and David Whitford submit the following response to the Defendants' Rule 3(g) Statement.

A. *Background*

1. *The Times Co.*

1. Plaintiffs do not contest.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

2. While Plaintiffs do not contest the material facts that underlie many of the Defendants' statements,[1] they object to two characterizations. They object: (1) to the characterization of what is distributed by the publisher defendants to Mead and UMI, and by Mead and UMI to the users of their data bases, as "issues" (or "editions") of a periodical, and (2) to the characterization of NEXIS as a "computerized library of periodicals."

Although each of the publishers may transmit all of a day's articles at the same time to LEXIS/NEXIS, they have been so coded, indexed and configured that each is electronically a separate unit and can be searched for and retrieved independently of all other articles and elements that appeared together with it in an "issue" of *The New York Times*. Only articles are sent to LEXIS/NEXIS; photographs and graphic elements are excluded. See references to the record cited at ¶¶ 4, 6, and 8 below.

For the same reason, NEXIS cannot either accurately or appropriately be characterized as a "computerized library of periodicals." It is not a library of periodicals, it is a data base that contains the text of *articles* that were once published in a variety of periodicals. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 265-66 and 274-79 thereof and evidence cited therein; Affidavit of

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1. Plaintiffs admit that *The New York Times* appears in print, that microfilm copies of it are made and that articles from *The New York Times* are subsequently placed on NEXIS and incorporated into CD-ROMS. They deny, however, that "issues" of *The Times* have been reproduced and electronically distributed to Mead or UMI, or by Mead and UMI to their customers.

Linda Edgerty, dated March 13, 1996, Exh. 17[2] [hereinafter Edgerty Aff.]; Stipulation and Order, dated February 6, 1996, Exh. 24[3] [hereinafter Stipulation and Order]; Deposition of Richard Petrosino, dated April 14, 1995, Exh. 34 at 23-24 [hereinafter Petrosino Dep.].

3. Plaintiffs do not contest except to the extent noted in ¶ 2 regarding microfilm and microfiche, hereby incorporated herein.

4. Plaintiffs do not contest except to the extent noted in ¶ 2 with respect to the terms "issues" and "computerized library of periodicals." *See* Affidavit of Glenn Williams, dated March 13, 1996, Exh. 15, at 10-11 [hereinafter Williams Aff.]; Responses and Objections to Requests to Admit Addressed to Defendants New York Times Co., LEXIS/NEXIS, and University Microfilms, Inc., Exh. 21, at ¶ 11; Stipulation and Order, Exh. 24; Deposition of James E. Patterson, dated April 16, 1995, Exh. 33, at 21-22, 31, 39, 41 [hereinafter Patterson Dep.]; Petrosino Dep., Exh. 34, at 33, 125-26, 131-32; NYT/Mead Written Agreements, Exh. 38, at M003645, M003653-54; *see also* Affidavit of Emily

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2. All exhibit references are to exhibits submitted in support of Plaintiffs' Motion for Summary Judgment and referred to in the Affidavit of Emily Bass, dated March 15, 1996. The exhibits, which are extensive, are being submitted in six volumes, marked one through six.

3. To the extent that the two characterizations noted above and in ¶ 4 below are contrary to the Defendants' depositions, the Defendants are bound by their testimony. *See* Stipulation and Order, Exh. 24.

Bass, dated March 15, 1996, at ¶¶ 12, 28-41 and portions of the record cited therein [hereinafter "Bass Aff."].

5. Plaintiffs do not contest that *articles* from issues of *The New York Times* are available on UMI CD-ROM products and, on information and belief, have been since approximately 1992. Plaintiffs deny that "each daily issue" of *The New York Times* or "entire issues of The New York Times" are available for retrieval or display on UMI CD-ROM products at issue in this litigation. *See* Deposition of Patrick M. Guiant, dated April 13, 1995, Exh. 31 at 12, 14-15, 46-48, 65, 66-68, 81-82 [hereinafter Guiant Dep.]; *see also* Bass Aff. at ¶¶ 46, 52-54 and portions of the record cited to therein.

6. Plaintiffs do not contest that articles from the Book Review and Sunday Magazine *sections* of *The New York Times* are available on a UMI CD-ROM product, marketed under the name "General Periodicals OnDisc," and on information and belief have been since some time in 1990. Plaintiffs aver, however, that the Book Review and Magazine sections are only *sections of an issue* of *The New York Times*, i.e., the Sunday edition, and not discrete "issues" or "editions" in and of themselves. *See* Certification from the Copyright Office of the United States, Exh. 52. Plaintiffs deny that the entire Sunday issue of *The New York Times* or even all articles from that issue are included on General Periodicals OnDisc. *See* Guiant Dep., Exh. 31 at 12, 15, 65; *see also* Bass Aff. at ¶ 52 and portions of the record cited to therein. They aver that General Periodicals OnDisc contains articles from some 100 to 200 periodicals in addition to articles from the Book Review and Magazine sections of the

Sunday *Times*. *See* Guiant Dep., Exh. 31 at 66-67; *see also* Bass Aff. at ¶ 51.

7. Plaintiffs admit that The Times Co. provides and, at all times relevant to this action has provided, NEXIS on a daily basis *inter alia* with the full text of all articles from each day's *New York Times* and that it has done so by electronically transmitting each article to NEXIS in a discrete electronic envelope or computer file. Plaintiffs further admit that, as a general rule, all of the computer files containing articles from one day's edition of the paper are transmitted to NEXIS at the same time. Plaintiffs deny that the printing plant that prints *The New York Times* uses computer text-files to create the printed paper or that the computer files that are sent to the Times Co. type-setter (at an early stage in the editorial process) are the *same* computer files that are sent to NEXIS. The computer files that are sent to NEXIS are first configured so that there is only one article in each computer file. They are then enhanced with information and coding that relates to the particular article in each file. Then they are sent to NEXIS. *See* Bass Aff. at ¶ 13 and portions of the record cited therein.

8. Plaintiffs admit that a NEXIS user can and at all times relevant to the action could, retrieve all or nearly all of the articles that appeared in an issue of the paper *one by one*. Plaintiffs deny that a NEXIS user can, or could, retrieve an entire issue or edition of *The New York Times* or even all of the articles from an issue *together*, as a single unified work. They aver that the order in which individual articles can be retrieved bears no relation to the order in which they appeared in print or reflects the arrangement they had when

they appeared in print. *See* Affidavit of Timothy Smith, dated March 11, 1996, Exh. 16 at 3-4 [hereinafter Smith Aff.]; Responses and Objections to Requests to Admit Addressed to Defendants New York Times Co., LEXIS/NEXIS, and University Microfilms, Inc., Exh. 21 at ¶ 11; Petrosino Dep., Exh. 34 at 130; *see also* Bass Aff. at ¶¶ 39-41 and portions of the record cited to therein. They further aver that a NEXIS user cannot pull up any accompanying graphic material or photographs or view an article in relation to other articles that appeared with it on a page. *See* Patterson Dep., Exh. 33 at 31, 39, 41; *see also* Bass Aff. at ¶ 12 and portions of the record cited to therein.

9. Plaintiffs admit that once a month, by prior agreement with The Times Co., LEXIS/NEXIS (or "Mead") provides UMI with a magnetic tape containing copies of the enhanced computer files which correspond to articles that appeared in issues of *The New York Times* over the preceding month. Plaintiffs further admit that the print-visible content of the articles that are carried on the CD-ROMS is identical to the print-visible content of the articles that appeared in the paper. Plaintiffs deny that the printers or printing plants that print *The New York Times* use computer text-files to create the printed paper or that the computer files that are sent to the Times Co. type-setter (at an early stage in the editorial process) are the *same* computer files that are sent to NEXIS. UMI is sent copies of enhanced computer files, as well as key words and indexing terms. *See* Answer of the Defendants The New York Times Co., Newsday Inc., Time Inc., Mead Corporation, and University Microfilms Inc. To Amended Complaint, Exh. 8 at ¶¶ 55, 56, 98, 99, 270, 271; Responses and Objections to Requests to Admit Addressed

to Defendants New York Times Co., LEXIS/NEXIS, and University Microfilms, Inc., Exh. 21 at ¶¶ 21-22, 40; Petrosino Dep., Exh. 34 at 136; NYT/UMI Written Agreements, Exh. 39 at U006910-14; *see also* Bass Aff. at ¶ 43, and portions of the record cited to therein.

10. With the qualification noted in ¶ 6, plaintiffs do not contest the statement.

2. *Newsday, Inc.*

11. Plaintiffs do not contest.

12. Plaintiffs do not contest, except to the extent noted in ¶ 2, incorporated herein with respect to *Newsday*. *See* Responses and Objections to Requests to Admit Addressed to Defendants Newsday, Inc. and LEXIS/NEXIS, Exh. 22 at ¶ 55; Deposition of Mary Anne Skinner, dated April 6, 1995, Exh. 35 at 14, 30, 41 [hereinafter Skinner Dep.]; Newsday/Mead Written Agreements, Exh. 40 at M003709, M003719; *see also* Bass Aff. at ¶¶ 12, 28-41, 68, and portions of the record cited to therein.

13. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 3, incorporated herein in regard to *Newsday*.

14. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 4, incorporated herein in regard to *Newsday*.

15. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 7, incorporated herein

in regard to *Newsday*. *See* Bass Aff. at ¶¶ 13-15, and portions of the record cited to therein.

16. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 8, incorporated herein in regard to *Newsday*. *See* Responses and Objections to Requests to Admit Addressed to Defendants Newsday, Inc. and LEXIS/NEXIS, Exh. 22 at ¶ 11, 13; Skinner Dep., Exh. 35 at 12, 25; *see also* Bass Aff. at ¶¶ 39-41, and portions of the record cited to therein.

Moreover, a NEXIS user cannot retrieve the following additional features of Newsday's daily editions: graphic materials, photographs, death notices, weather reports and forecasts, sports statistics and results, and advertisements. *See* Responses and Objections to Requests to Admit Addressed to Defendants Newsday, Inc. and LEXIS/NEXIS, Exh. 22 at ¶ 55; Skinner Dep., Exh. 35 at 14, 30, 41; *see also* Bass Aff. at ¶ 12 and portions of the record referred to therein.

3. *Time, Inc.*

17. Plaintiffs do not contest.

18. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 2, incorporated herein with respect to *Sports Illustrated*. *See* references to the record cited at ¶¶ 21-22 below.

19. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 3, incorporated herein with respect to *Sports Illustrated*.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

20. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 4, incorporated herein with respect to *Sports Illustrated*. *See* Responses and Objections to Requests to Admit Addressed to Defendants Time, Inc. and LEXIS/NEXIS, Exh. 23 at ¶ 23; Time/Mead Written Agreements, Exh. 41 at T000007-27; *see also* Bass Aff. at ¶¶ 28-41, and portions of the record cited to therein.

21. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 5, incorporated herein with respect to *Sports Illustrated*. *See* Guiant Dep., Exh. 31, at 30-31, 67-70.

22. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 7, incorporated herein with respect to *Sports Illustrated*. *See* Bass Aff. at ¶¶ 13-14, 16, and portions of the record cited to therein.

23. Plaintiffs do not contest, except to the extent noted in their response set forth in ¶ 8, incorporated herein with respect to *Sports Illustrated*. *See* Responses and Objections to Requests to Admit Addressed to Defendants Time, Inc. and LEXIS/NEXIS, Exh. 23, at ¶ 25, 54, 55, 57; *see also* Bass Aff. at ¶¶ 39-41, and portions of the record cited to therein.

Moreover, a NEXIS user cannot pull up any accompanying graphic material or photographs, nor other features of *Sports Illustrated*'s weekly editions such as its cover page, table of contents or maps. *See* Responses and Objections to Requests to Admit Addressed to Defendants Time, Inc. and LEXIS/NEXIS, Exh. 23, at ¶ 23; Time/Mead Written Agreements, Exh. 41, at T000019.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

4. *NEXIS*

24. Plaintiffs admit that at all times relevant to this action, Mead (and/or LEXIS/NEXIS) operated a commercial information service known as NEXIS and that NEXIS makes *articles* from periodicals available via computer. Plaintiffs further admit that LEXIS/NEXIS sold subscriptions to NEXIS to the public and to businesses. Plaintiffs deny that NEXIS either is or functions as a computerized library of *periodicals*.

25. Plaintiffs do not contest that the verbal text of articles from the named periodicals and thousands of other sources are available to NEXIS subscribers. See response set forth in ¶ 2.

26. See responses set forth in ¶¶ 2, 4 and 25, hereby incorporated herein.

27. See responses set forth in ¶¶ 2, 4, 12, 14 and 25, hereby incorporated herein.

28. Plaintiffs do not contest, except to the extent set forth in ¶¶ 7 and 8, 15 and 16, and 22 and 23 hereby incorporated herein. Plaintiffs further deny that NEXIS assembles a collection of "issues" of *The New York Times* and *Newsday* and aver, instead, that it incorporates articles from issues of those newspapers into its existing collection of periodical articles. *See* Smith Aff., Exh. 16 at 3-4; Petrosino Dep., Exh. 34 at 129-32.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

29. Plaintiffs do not contest, except to the extent noted in ¶ 2 with respect to the terms "issue(s),[4] "edition(s)," and "computerized library" noted therein.

30. Plaintiffs do not contest, except to the extent noted in ¶¶ 2, 4, 18, 20 and 25, incorporated herein.

31. Plaintiffs do not contest, except to the extent noted in ¶¶ 22 and 28, incorporated herein.

32. Plaintiffs do not contest, except to the extent noted in ¶¶ 22 and 29, incorporated herein.

33. Plaintiffs do not contest.

34. With one exception,[5] Plaintiffs do not contest the factual matters stated, which begin with "NEXIS does not include . . ." Plaintiffs assert that the reasons for this exclusion are either matters of opinion and/or conclusions that are not supported by the record, and that regardless of the reasons for the deletions there are additional, purely commercial reasons. *See* Williams Aff., Exh. 15, at ¶¶ 27 and 37. Plaintiffs reiterate their objection to the inaccurate and misleading use of the terms "issue(s)," "edition(s)," and "computerized library."

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4. Plaintiffs understand the term "edition" used, e.g., in ¶ 29 of Defendants' Rule 3(g) Statement to be a synonym for the term "issue" used in ¶ 2.

5. Plaintiffs deny that jump cites or jump lines are included in NEXIS entries. *See e.g.*, NYT/Mead Written Agreements, Exh. 38, at M003645, M003653-54.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

35. Defendants' ¶ 35 is not a statement of fact, but a conclusion ("Because . . ."). Plaintiffs do not contest the major premise of the statement, except to the extent noted in ¶ 2 above. They deny it leads to the conclusion that a NEXIS user can therefore "retrieve in its entirety the complete text *of any particular issue*" of the periodicals in for the reasons stated in ¶¶ 2, 4, 8 (with respect to *The New York Times*), 12, 14, 16 (with respect to *Newsday*), and 18, 20, and 23 (with respect to *Sports Illustrated*) above and evidence cited therein, incorporated herein. What a person using NEXIS searches for and retrieves is individual articles. *See* Petrosino Dep., Exh. 34, at 130.

5. *UMI*

36. Plaintiffs do not contest, except to the extent noted in ¶¶ 2-4 above, incorporated herein by reference.

37. Plaintiffs do not contest.

38. Plaintiffs do not contest except to the extent stated in ¶¶ 2 and 4 above, incorporated herein.

39. Plaintiffs do not contest except to the extent stated in ¶ 7 regarding the use of the term "editions" and the identity of the computer text-files used by the printers, and aver that what UMI receives is a version created by NEXIS of the files sent by the Times Co. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 220-22 and evidence cited therein.

40. Plaintiffs do not contest, except to the extent noted in ¶¶ 2 and 4 with regard to "each day's edition" or

"particular editions", and ¶ 3 with regard to microfilm and microfiche.

41. With one exception, Plaintiffs do not contest the factual matters stated, which begin with "UMI does not include . . . ," and otherwise incorporate herein their response to ¶ 34 and evidence cited therein. Plaintiffs deny that jump cites or jump lines (which say "See page . . .") are included in CD-ROM entries.

42. Plaintiffs assert the same qualifications and objections as those asserted in ¶ 35, incorporated herein, because the source of the text reproduced on "New York Times OnDisc" is identical to that used to produce NEXIS. *See* Defendants' Rule 3(g) Statement at ¶ 39.

Plaintiffs agree that the addition of abstracts, while it increases the difference between the "OnDisc" product and NEXIS, does not alter the text of the articles reproduced.[6] Plaintiffs assert, however, that the creation of abstracts is for commercial, as well as "research" purposes, as the abstracts enable a reader to select or reject an article based upon a perusal of a summary of an article rather than the article in its entirety. *See* Guiant Dep., Exh. 31, at 51-52.

43. Plaintiffs deny that the Book Review and the Magazine sections of the Sunday *New York Times* are "issues," "editions," or "periodicals" or that" issues of these periodicals" are available on "General Periodicals OnDisc," or indeed any other medium. Plaintiffs admit that "General

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6. The abstract constitutes a derivative work.

Periodicals OnDisc" contains both a text-only (index or abstracts) data base and an image data base and that the image data base contains images of entire pages of the Book Review and Magazine sections (Articles As They Appear When Printed Out From The "General Periodicals OnDisc" CD-ROM, Exh. 4; Bass Aff. at ¶ 54). Plaintiffs further admit that discrete full-page images can be printed out at a printer attached to a UMI workstation. *See* Bass Aff. at ¶ 54; Other Documents Produced by UMI, Exh. 50, at U002972, U003129-30.

Plaintiffs deny that entire "issues" of the Sunday *New York Times* are available on General Periodicals OnDisc. (*See* Certification from the Copyright Office of the United States, Exh. 52)

44. Plaintiffs do not contest the facts set forth in the first sentence of ¶ 44 insofar as they describe the manner in which the *image* portion of the General Periodicals OnDisc data base is constructed. (The text-only part of General Periodicals OnDisc is assembled in a fashion similar to the NEXIS and Times OnDisc data bases. It contains indexes and abstracts of each article included in the data base. *See* Other Documents Produced by UMI, Exh. 50, at U001453-54, U002022, U002936, U002943, U002948.

Plaintiffs contest the conclusion ("Because . . .") set forth in the second sentence of ¶ 44 for the reasons stated in ¶ 43 above and for the further reason that it has no applicability to the text-only portion of General Periodicals OnDisc. Since the text-only portion of General Periodicals OnDisc, like NEXIS and New York Times OnDisc, is

searchable, it does not contain photographs or graphics, nor the lay-out of the paper. *See* Williams Aff., Exh. 15, at ¶¶ 22-23; Edgerly Aff., Exh. 17, at 8-9; Guiant Dep., Exh. 31, at 66, 73. Plaintiffs do not contest the assertion set forth in the third sentence except to the extent indicated in ¶ 35.

Plaintiffs further admit that the result of the marriage of these two data bases is an electronic product that enables customers to "locate" information from the Book Review and Magazine sections electronically. *See* Bass Aff. at ¶ 54. Depending on the hardware, this process will not enable the customer to view either the whole Magazine or Book Review, or any single page, directly on his or her computer screen. *See* Williams Aff., Exh. 15, at ¶ 42; Bass Aff. at ¶ 54; Other Documents Produced by UMI, Exh. 50, at U007320.

45. Plaintiffs do not contest, subject to the clarification set forth in ¶¶ 43 and 44. Stated otherwise, the end user can search for an individual article from the Book Review and/or Magazine sections and then print out the entire page — including the textual, photographic and advertising content of the page — in which the article appeared. He or she does not thereby print out the entire section of the paper, but only the page in question.

B. *Freelance Writers*

46. The evidence in this case shows that both Plaintiffs in this case and other freelance writers work pursuant to verbal assignments, assignment letters, written contracts for individual articles, contracts to provide periodic columns, and other arrangements, as well as by sending

unsolicited manuscripts. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 25, 42, 65, 69-71, 85; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 23, 25, 51, 57, 66-69, 83-87; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶ 7.

However, given the specific evidence presented in this case about the practice of *these* plaintiffs and *these* defendants, the issue of whether a general practice exists is irrelevant to this litigation.

47. Plaintiffs do not contest.

48. Plaintiffs do not contest for the reasons and on the basis set forth in ¶ 46.

49. Plaintiffs assert that the evidence relevant to the practice of Time, Inc. is that cited at ¶¶ 7-13 of Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc.; Agreement between David Whitford and *Sports Illustrated*, dated April 8, 1991, Exh. 36, at T000001-2 [Agreement between David Whitford and *Sports Illustrated*]; *see also* Current Time, Inc. Policy Re: Freelance Photographers, Exh. 44.

50. Plaintiffs do not contest the fact that articles of freelance writers were made available to the public via NEXIS and CD-ROM, and appeared on microfilm and microfiche, following their publication in print. Plaintiffs assert that, insofar as NEXIS and CD-ROM were concerned, this was done unlawfully. Plaintiffs do contest the assertion

that the Defendants published their periodicals or the "entire contents of their periodicals" via NEXIS and/or CD-ROM. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 136-37 and exhibits referred to therein; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶ 107 and evidence referred to therein; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶ 64 and evidence cited therein. See responses at ¶¶ 2, 4, 12, 14, 18 and 20, above, which are herein incorporated by reference.

Similarly, Plaintiffs do not contest the fact that some writers may have attempted to negotiate a provision that precluded the publisher defendants from suing their articles electronically and failed. Many more writers simply haven't negotiated on the issue. (*See* Defendants' Rule 3(g) Statement at ¶ 48.) Still others have negotiated agreements in which they retain such rights because they have not been expressly transferred. *See* Agreement between David Whitford and *Sports Illustrated*, Exh. 36.

Plaintiffs aver that they themselves were unaware prior to the publication of the articles that any Defendant intended, planned or had contracted to sell their article for distribution in any electronic medium. See evidence cited at Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 38-46 thereof, inclusive; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶¶ 14-15; Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶ 35. Plaintiffs also note that their subsequent efforts to prevent publication of their work in electronic data bases were frustrated by Defendants' superior

bargaining power. *Id*, and see Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶ 53-54; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 47 and 61 and exhibits referred to within.

C. *The Articles At Issue*

1. *The Tasini Articles*

51. Plaintiffs do not contest the facts stated, but deny this is, as Defendants assert, an "article at issue" in this litigation.

52. Plaintiffs do not contest the fact that Newsday stamped that legend on the back of the check in agate-size type, and refer the Court to the qualification stated in ¶ 51 above.

53. Plaintiffs do not contest the fact that Newsday, Inc. began to place articles from its publication on NEXIS some time in 1988.

Plaintiffs deny that the endorsement confirmed Newsday's understanding of the scope of rights it had acquired and aver that it represented an attempt by Newsday to retroactively and surreptitiously acquire more rights. *See* Newsday Checks With Legend Stamped On Back, Exh. 47, at N000150-53; *see also* Memorandum of Law in Support of Defendants' Motion for Summary Judgment, at 23-33. Plaintiffs further deny that Newsday has or had a practice of reproducing and distributing its periodical in electronic form. (See responses above at ¶¶ 2, 12 and 14.) Plaintiffs deny

that a legend stamped on the back of a check issued in payment of an already performed service could in any event operate to modify the terms of a pre-existing agreement. See, evidence cited at Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 25-38 thereof. *See also* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 83-92 and evidence cited therein. This is ultimately a disagreement of law, not of fact, however.

Plaintiffs further deny that a legend on the back of a check could "reflect" any "practice" other than that of stamping the legend. This is a matter of logic, not fact.

54. Plaintiffs do not contest, except as stated in ¶ 51 above. Once Plaintiff Tasini took note of the legend he was troubled by it and did not understand exactly what it meant. *See* Deposition of Jonathan Tasini, dated February 5, 1996, at 175-184 [hereinafter Tasini Dep.].

55. Plaintiffs do not contest, except as stated in ¶ 51 above.

56. Plaintiffs incorporate herein their response at ¶ 52 above.

57. Plaintiffs incorporate herein their response at ¶ 53 above.

58. Plaintiffs do not contest.

59. Plaintiffs do not contest, and submit Tasini's action reflects the state of mind referred to in ¶ 54 above,

and Plaintiff's express lack of consent to the exercise by the Times Co. of any rights beyond first or one-time North American rights.

60. Plaintiffs agree Tasini did not separately inform Newsday of his alteration of the legend for fear he would lose his payment for the article. *See* Tasini Dep. at 201, 209, and 212.

61. Plaintiffs do not contest.

62. Plaintiffs do not contest, except as stated in ¶ 51 above.

63. Plaintiffs incorporate herein their response at ¶ 53 above.

64. Plaintiffs do not contest.

65. Plaintiffs do not contest.

66. Plaintiffs do not contest. The converse is also true, however. *See* Plaintiffs Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 24-29 and evidence cited therein.

67. Plaintiffs do not contest, but aver: (1) that the converse is also true, i.e., that the Defendants did not expressly acquire or attempt to expressly acquire the electronic rights in question (see evidence cited in ¶ 66, above); and (2) that, as the owner of the copyrights in his articles, Plaintiff Tasini was not required to expressly reserve

rights in order to retain them. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 4-5; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 4-5; Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶¶ 5-6; *see also* Correspondence from Bruce Keller, Esq. To Emily Bass, Esq., dated March 30, 1995, Exh. 25.

68. Plaintiffs do not contest.

69. Plaintiffs reiterate their response to ¶ 66. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 21-22 thereof.

70. Plaintiffs do not contest, except to the extent expressed in ¶ 67 above.

71. Plaintiffs do not contest.

72. Plaintiffs incorporate herein their response at ¶ 53 above.

73. Plaintiffs do not contest.

74. Plaintiffs object to this statement on the ground that it is a conclusion, not a statement of fact. They admit that Plaintiff Tasini took no action other than altering the endorsement, and contend that as a matter of law that action was calculated to communicate his objection

75. Plaintiffs incorporate herein their response at ¶ 60 above.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

76. Plaintiffs incorporate herein their response at ¶ 61 above.

2. *The Blakely Articles*

77. Plaintiffs do not contest.

78. Plaintiffs do not contest, but note that "Remembering Jane" was the object subsequently of a written syndication agreement. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶ 69 thereof and evidence cited therein.

The converse of Defendants' statement is also true. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶ 76 thereof and evidence cited therein.

79. Plaintiffs incorporate herein their response at ¶ 67 above. They further assert that Plaintiff Blakely's understanding of the verbal contracts she entered into with the publisher were "for first North American serial rights only." Blakely Dep. at 36, line 20 and *id.* at 43, line 24 cited at Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times ¶ 73 and id. at ¶¶ 76 and 77 and evidence cited therein. And see evidence cited *id.* at ¶ 306 thereof as it pertains to *The New York Times*.

80. Plaintiffs do not contest the statement insofar as it suggests that Plaintiff Blakely was aware that a copy of *The New York Times* was available on microfilm.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

As of the date of her deposition in this litigation, however, she did not know how to use NEXIS and, at the time she submitted her articles, had no direct experience with computer data bases. She had a general knowledge that "some newspapers and magazines" were "on-line." Blakely Dep. at 38, lines 9-18; at 58, line 23.

3. *The Garson Articles*

81. Plaintiffs do not contest.

82. Plaintiffs do not contest. However, the converse is also true. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶ 6 and evidence cited therein; ¶¶ 17-19 thereof and evidence cited therein; ¶ 24, 38, 39 thereof with respect to Plaintiff Garson and evidence cited therein.

83. Plaintiffs incorporate herein their response at ¶ 67, above, citing in support of the converse, Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 38-39, 43-44, 71-77 and evidence cited therein.

84. Plaintiffs do not contest. See ¶ 52, above.

85. Plaintiffs incorporate herein their response at ¶ 53 above.

86. Plaintiffs do not contest. Plaintiff Garson does not recall having taken note of the endorsement or having realized that it was anything other than a legend stamped by the bank. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 78-79.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

87. Plaintiffs do not contest. After learning in the course of this litigation of the significance Newsday placed on the legend, Plaintiff Garson subsequently struck out the offending language.

4. *The Mifflin Articles*

88. Plaintiffs do not contest.

89. Plaintiffs do not contest. The converse is also true, however. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶¶ 6, 50 and evidence cited therein.

90. Plaintiffs incorporate herein their response to ¶ 67, above, citing in support of the converse, Plaintiffs' Rule 3(g) Statement With Respect to Defendant New York Times at ¶ 50 and evidence cited therein. *And see* ¶¶ 53-54 thereof and evidence cited therein. Plaintiff's conduct was the result of her understanding that since she had not affirmatively granted electronic rights, she retained such rights. *Id.* at ¶¶ 55-58 and evidence cited therein.

91. Plaintiffs do not contest.

5. *The Robbins Articles*

92. Plaintiffs do not contest.

93. Plaintiffs do not contest. The converse is also true, however, i.e., it is undisputed that Plaintiff did not expressly convey, transfer, license or assign any right other

than one-time publication in a daily periodical. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 6, 16, 24, 38-39 and evidence cited therein.

94. Plaintiffs incorporate herein their response at ¶ 67 above, citing in support of the converse, Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 43-44 and evidence cited therein regarding Plaintiff Robbins.

95. Plaintiffs do not contest. See ¶ 52, above.

96. Plaintiffs incorporate herein their response at ¶ 53 above and evidence cited therein.

97. Plaintiffs do not contest. They aver, however, that Plaintiff Robbins did not pay particular attention to the legend and believed it might be standard language designating the endorsement line and warning not to endorse above it. Deposition of Sonia Jaffe Robbins, dated April 11, 1995, at 80, lines 5-81, especially line 14 [hereinafter Robbins Dep.].

6. *The Whitford Articles*

98. Subject to the qualification set forth in ¶ 51, Plaintiffs do not contest.

99. Subject to the qualification set forth in ¶ 52, Plaintiffs do not contest.

100. Plaintiffs incorporate herein their response at ¶ 53 above and evidence cited therein, and Deposition of

David S. Whitford, dated April 10, 1995, at 28-29 [hereinafter Whitford Dep.].

101. Plaintiffs admit that Plaintiff Whitford, upon seeing the legend, called his editor at *Newsday* and asked "What are you trying to do?" (Whitford Dep. at 30, lines 1-7; 89-90.) His editor did not know what the language in the legend meant (Whitford Dep. at 30, lines 12-13).

102. Plaintiffs admit, *but see*, the response given by the Newsday editor. Whitford Dep. at 30, lines 12-13; *see also* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶¶ 68-69 and evidence cited therein, and ¶ 33 and evidence cited therein, and ¶¶ 38-40 and evidence cited herein pertaining to Plaintiff Whitford.

103. Plaintiffs do not contest.

104. Plaintiffs do not contest.

105. Plaintiffs do not contest that the contract granted "the exclusive right first to publish the Story in the Magazine," the non-exclusive right "to license republication of the Story . . . in other publications . . ." for 50% of the net proceeds from republication, and "the right to republish the Story" in other publications of Time, Inc. for payment of "the then prevailing rates of the publication in which the story is republished." Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶ 10 and evidence cited therein (citing letter agreement at 000563-64). Plaintiffs deny that the first publication right could be read as referring to anything but *Sports Illustrated* magazine, i.e., the print publication. *Id.*

Plaintiffs' Response to Defendants' Rule 3(g) Statement

106. Plaintiffs do not contest the fact that Plaintiff Whitford did not explicitly reserve "electronic rights" in so many words, but aver that he was not required to do so. Time, Inc. was required to expressly acquire electronic rights if it wished to exercise them. Since Time, Inc. didn't expressly acquire such rights and Plaintiff Whitford didn't expressly convey them, he retained electronic rights in his article. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Time, Inc. at ¶ 11-15 and evidence cited therein.

107. Plaintiffs do not contest.

108. Plaintiffs do not contest that Plaintiff Whitford did not attempt to or expressly reserve electronic rights; however, the converse is also true. *See* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 6, 24, 38-39, 43, 44 and evidence cited therein pertaining to Plaintiff Whitford.

109. Plaintiffs herein incorporate their response to ¶ 67, above, citing in support of the converse, the evidence cited in ¶ 108 above and ¶ 64 of Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday.

110. Plaintiffs do not contest. See ¶ 52, above.

111. Plaintiffs incorporate herein their response at ¶ 53 above. *See also* Plaintiffs' Rule 3(g) Statement With Respect to Defendant Newsday at ¶¶ 64-69 and evidence cited therein.

112. Plaintiffs do not contest, but also incorporate the evidence cited in ¶ 111 above.

Plaintiffs' Response to Defendants' Rule 3(g) Statement

Dated: May 21, 1996
New York, New York

s/ Emily Bass
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University Microfilms, Inc.

DECLARATION OF KENNETH A. TILLMAN IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE, DATED APRIL 11, 2000

(SUBMITTED TO THE SECOND CIRCUIT AFTER ITS AMENDED OPINION OF FEBRUARY 25, 2000)

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Second Circuit Docket No.
97-9181(L),
97-9650 (CON)

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs-Appellants,

BARBARA BELEJACK; DANIEL LAZARE; JOAN OLECK and LINDSY VAN GELDER,

Plaintiffs,

– against –

THE NEW YORK TIMES COMPANY; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; MEAD DATA CENTRAL CORP. and UNIVERSITY MICROFILMS INTERNATIONAL,

Defendants-Appellees,

THE ATLANTIC MONTHLY COMPANY,

Defendant,

Declaration of Kenneth A. Tillman

AMERICAN SOCIETY OF MEDIA PHOTOGRAPHERS, INC., ET AL.

Amicus Curiae.

DECLARATION OF KENNETH A. TILLMAN IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE

KENNETH A. TILLMAN hereby declares as follows:

1. I am Senior Vice President of Information Partnerships at Bell & Howell Information and Learning Company, formerly known as University Microfilms International (collectively "UMI"). I am responsible for the acquisition of intellectual property rights from information providers as well as expanding online distribution of that information by developing strategic alliances with key publishers. I have held this position since 1997. My previous positions with UMI include Vice President, Publisher Relations; Vice President, Periodicals & Newspapers; Manager, Newspaper Publishing & Serials Administration; Manager Customer Relations; and Marketing and Sales Analyst. I have been with UMI for 29 years.

2. I submit this declaration in support of Appellees' motion for a stay of this Court's mandate pending filing of a petition for certiorari with the U.S. Supreme Court.

UMI CD-ROM Products

3. UMI reproduces and distributes copies of periodicals, used for academic, business and other research purposes, on

microfilm, microfiche, CD-ROMs and online. These copies are available to, among others, public and private libraries, schools, universities and businesses throughout the United States. For 50 years, UMI produced these copies exclusively on microfilm. Beginning in 1988, UMI also began to reproduce and distribute certain of them on CD-ROMs.

4. UMI manufactures and distributes the two CD-ROM products at issue in this case: New York Times OnDisc ("NYTO"), which contains the full texts of complete editions of *The New York Times* since approximately January 1981, and General Periodicals OnDisc ("GPO"), which contains the full texts, in digital image format, of numerous periodicals, including *The New York Times Magazine* and *The New York Times Book Review* since approximately January 1988.

5. As part of their prayer for relief in this case, Appellants have asked for an injunction that would prevent UMI "from in any way copying, making a derivative work from, distributing, broadcasting, communicating or transmitting electronic copies of or otherwise electronically exploiting" Appellants' articles that are listed in the complaint.

6. Complying with this injunction would require altering the NYTO and GPO products so they no longer include Appellants' articles named in the complaint, which appeared in *The New York Times*, *The New York Times Magazine* and *Book Review* between 1990 and 1993. This cannot be done without enormous effort.

7. Once manufactured, an individual CD-ROM disc cannot be altered, making it impossible to delete Appellants' articles

from existing discs. The only way for UMI to comply with such an injunction would be to recall from distribution any discs containing Appellants' articles — which is, as a practical matter, impossible. Additionally, UMI would have to destroy any such existing discs and to cease distributing such discs in the future.

New York Times OnDisc ("NYTO")

8. NYTO is a text-only product. UMI assembles the NYTO product by receiving, on a monthly basis, a magnetic tape containing copies of the complete text files of each of the preceding month's daily editions of *The New York Times*. UMI transfers these editions in their entirety to CD-ROM discs.

9. Each CD-ROM disc in the NYTO database contains an entire year's complete issues of *The New York Times*.

10. Because Appellants' articles appeared in *The New York Times* over the course of the four years 1990-1993, an injunction that prevented UMI from distributing those articles would, therefore, effectively prevent UMI from distributing any NYTO discs covering the years 1990-1993 and force UMI to expunge the entire complete *New York Times* for those years from its NYTO product line.

General Periodicals OnDisc ("GPO")

11. Unlike the text-only NYTO, GPO is an image-based product. UMI assembles GPO by digitally scanning complete copies of each of the paper editions of complete periodicals.

When used on a computer, it displays a digital photographic image of each page of a given periodical, just like microfilm.

12. A complete year's edition of GPO may consist of over 100 discs, with each single disc containing numerous complete periodicals that were published on approximately the same date.

13. Therefore, an injunction that required UMI to delete Appellants' articles from the GPO database would, as a practical matter, result in UMI's removing the discs containing Appellants' articles from future shipments of the GPO product. To illustrate, Appellants' articles appeared in *The New York Times Magazine* and *The New York Times Book Review* in various weeks during the four years 1990-1993. To delete one of those articles, which appeared in the *New York Times Book Review* for September 22, 1990, would require removing from circulation the entire disc on which the *Book Review* edition containing that article resides. This, in turn, would remove not only Appellant's article, but also the complete *Book Review* for that date. It also would remove every other periodical, in addition to the *Book Review*, that is stored on that particular disc, leaving a gap of several days' publications that would be unavailable to GPO's customers.

Harm to UMI

14. UMI has built its reputation on, among other things, its ability to supply complete editions of newspapers and magazines to its customers on microfilm, microfiche and CD-ROM, and its ability to supply a complete historical archive of those publications. An injunction that requires

the deletion of some articles from that archive would wreak enormous harm. Its practical result would be the deletion of entire periodical issues from the CD-ROM products. In the case of NYTO, it would result in the deletion of entire years' editions of *The New York Times*. UMI's inability to supply a complete historical archive would inevitably cause loss of customers and good will built up over decades. Further, it would damage the reputation of the UMI CD-ROM products and endanger their survivability, as customers retreat to microfilm and microfiche as the only media in which they are assured that complete texts are reproduced.

15. The harm to the public also would be enormous. For the past 20 years, public and private libraries have been relying more and more on electronic archives like the UMI CD-ROM products. Many libraries have substantially reduced their archives of printed newspapers and periodicals in reliance on the continued availability and completeness of electronic archives and facsimile editions. This Court's decision will reverse that process and force libraries to retain paper copies as the only reliable archive. This will cause a tremendous waste of time, space and effort, as libraries turn back the clock and replicate in print the complete resources that are no longer available electronically.

16. Appellant Tasini has threatened to "shut down" the UMI CD-ROM databases and "every database in the country," Felicity Barringer, *Freelancers Win Appeal in Copyright Suit*, The New York Times, Sept. 28, 1999, at C1, with a "tidal wave of lawsuits" on behalf of other freelance writers whose works also have been reproduced on NEXIS and CD-ROMs. Jason Williams, *Court Decision Could Leave*

Gaps in Archives, Editor & Publisher Magazine, Oct. 2, 1999, at 5. To reduce this risk, UMI would have to consider removing from circulation all CD-ROM discs containing any freelance articles, in addition to those that contain Appellants' articles. It would be impossible, as a practical matter, to locate all such articles, which would include travel pieces, book reviews, stories sent in by stringers, letters to the editor, Op-ed pieces and unsolicited articles submitted by public officials and other citizens. The number of such articles could be in the thousands or hundreds of thousands. Because of the logistical impossibility of identifying all such articles and removing the discs containing them, UMI's only recourse might be to remove from circulation all CD-ROMs from past years and, for future years, circulate only those discs that contain publications whose publishers have secured the rights to reproduce electronically all articles they contain. This would make the UMI CD-ROM products useless as a historical archive.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge and belief.

Executed at Ann Arbor, Michigan, on April 11, 2000.

s/ Kenneth A. Tillman
Kenneth A. Tillman

DECLARATION OF FRED T. LEFTRICT, JR. IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE, DATED APRIL 11, 2000

(SUBMITTED TO THE SECOND CIRCUIT AFTER ITS AMENDED OPINION OF FEBRUARY 25, 2000)

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Second Circuit Docket No.
97-9181(L),
97-9650 (CON)

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs-Appellants,

BARBARA BELEJACK; DANIEL LAZARE; JOAN OLECK and LINDSY VAN GELDER,

Plaintiffs,

– against –

THE NEW YORK TIMES COMPANY; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; MEAD DATA CENTRAL CORP. and UNIVERSITY MICROFILMS INTERNATIONAL,

Defendants-Appellees,

THE ATLANTIC MONTHLY COMPANY,

Defendant,

AMERICAN SOCIETY OF MEDIA PHOTOGRAPHERS, INC., ET AL.

Amicus Curiae.

DECLARATION OF FRED T. LEFTRICT, JR. IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE

FRED T. LEFTRICT, JR. hereby declares as follows:

1. I am Vice President, Marketing of LEXIS/NEXIS. I am responsible for leading all marketing for the NEXIS database of periodicals, including research, pricing, creative development and marketing management for NEXIS target markets. I have held this position since September 1999. I joined LEXIS/NEXIS in 1997 as Senior Director for Marketing Research and Strategic Planning for LEXIS, in which role I led the market research for online legal products and services as well as marketing analysis.

2. I submit this declaration in support of Appellees' motion for a stay of this Court's mandate pending filing of a petition for certiorari with the U.S. Supreme Court.

The NEXIS Database of Periodicals

3. The NEXIS computerized library of periodicals is available to the public, via public and private schools, libraries and businesses nationwide and to individuals through dial-up and Internet access. It currently stores information from over 18,000 different news and business sources, including electronic copies of *The New York Times*, *Newsday*, and *Sports Illustrated*.

4. NEXIS contains each daily issue of *The New York Times* since approximately June 1980, each daily issue of *Newsday* since approximately 1988, each weekly issue of *Sports Illustrated* since approximately 1982 and complete issues of other periodicals dating as far back as 1975.

5. As part of their prayer for relief in this case, Appellants have asked for an injunction that would prevent LEXIS/NEXIS "from in any way copying, making a derivative work from, distributing, broadcasting, communicating or transmitting electronic copies of or otherwise electronically exploiting" Appellants' articles.

6. Appellant Tasini also has threatened to "shut down" NEXIS and "every database in the country," Felicity Barringer, *Freelancers Win Appeal in Copyright Suit*, The New York Times, Sept. 28, 1999, at C1, with a "tidal wave of lawsuits" on behalf of other freelance writers whose works also have been reproduced on NEXIS and CD-ROMs. Jason Williams, *Court Decision Could Leave Gaps in Archives*, Editor & Publisher Magazine, Oct. 2, 1999, at 5.

7. To reduce this risk, NEXIS could be forced to delete many other freelance articles in addition to Appellants', because it would be impossible, as a practical matter, for publishers whose publications appear on NEXIS to identify, locate and negotiate with all freelance writers whose works they have published since NEXIS began storing their periodicals. The number of works lost to NEXIS and the public through this process could number in the tens or hundreds of thousands.

Harm to LEXIS/NEXIS

8. NEXIS has built its reputation on its ability to supply complete issues of newspapers and magazines to its customers electronically, and its ability to supply a complete historical archive of those publications. The deletion of articles from that archive would wreak enormous harm.

9. Such deletion would also do great harm to the public. Loss of public confidence in the completeness of the NEXIS archive will inevitably mean lost time and extra labor for researchers who must double-check their electronic research against print editions to be sure the complete periodical has been searched.

10. Further, if publishers require NEXIS to delete great numbers of freelance articles from its database, identifying such articles would be a logistical nightmare and incredibly disruptive, consuming thousands of hours that otherwise would and should be spent on the continual maintenance and updating of NEXIS.

11. The result of such deletions — if they could be accomplished at all — would be a NEXIS database riddled with gaps where many thousands of freelance articles once were. Researchers would therefore be unable to rely on their searches of the now-incomplete NEXIS library to uncover all pertinent materials. The inability of NEXIS to guarantee its customers a complete historical archive would inevitably cause loss of customers and good will built up over decades. Further, it would damage the reputation of the NEXIS database now and in the future, because customers would

choose to retreat to microfilm, microfiche and print — if print copies still exist — as the only media in which they are assured that complete texts are reproduced.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Miamisburg, Ohio, on April 11, 2000.

s/ Fred T. Leftrict, Jr.
Fred T. Leftrict, Jr.

DECLARATION OF ALAN GREENGRASS IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE, DATED APRIL 11, 2000

(SUBMITTED TO THE SECOND CIRCUIT AFTER ITS AMENDED OPINION OF FEBRUARY 25, 2000)

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Second Circuit Docket No.
97-9181(L),
97-9650 (CON)

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Plaintiffs-Appellants,

BARBARA BELEJACK; DANIEL LAZARE; JOAN OLECK and LINDSY VAN GELDER,

Plaintiffs,

– against –

THE NEW YORK TIMES COMPANY; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; MEAD DATA CENTRAL CORP. and UNIVERSITY MICROFILMS INTERNATIONAL,

Defendants-Appellees,

THE ATLANTIC MONTHLY COMPANY,

Defendant,

AMERICAN SOCIETY OF MEDIA PHOTOGRAPHERS, INC., ET AL.

Amicus Curiae.

DECLARATION OF ALAN GREENGRASS IN SUPPORT OF DEFENDANTS-APPELLEES' MOTION FOR STAY OF MANDATE

ALAN GREENGRASS hereby declares as follows:

1. I am President of Times On-Line Services at The New York Times Company (the "Times Co."). I am responsible for two operating groups: New York Times Index and Times On-Line Services. These groups create the full text database of *The New York Times* and abstract databases of the *Times* and other newspapers. They transmit these databases to LEXIS/NEXIS and other online partners. I am also responsible for working on production of *The New York Times* microform and CD-ROM products. My previous position with the Times Co. was director of Index Operations. I have been with the Times Co. for 32 years.

2. I submit this declaration in support of Appellees' motion for a stay of this Court's mandate pending filing of a petition for certiorari with the U.S. Supreme Court.

The New York Times

3. The Times Co. publishes, on a daily basis, the well-known and widely-read newspaper *The New York Times*, which provides extensive daily coverage of political,

financial, cultural, social, sporting and other events, both nationally and internationally. For over one hundred years its policy has been to publish "All the News That's Fit to Print."

4. The completeness of each edition of *The New York Times* gives it value beyond the day on which it is printed. Because of its widely-recognized comprehensive nature, *The New York Times* is valuable to researchers and scholars for historical purposes, who rely on *The New York Times*' reputation for recording daily events since before the beginning of the last century.

5. Because of its completeness and accuracy, *The New York Times* often is described as "the paper of record." *The Los Angeles Times* (which has no business relationship to *The New York Times*) has described it as "a unique institution . . . in its standing as the country's most highly respected, general interest 'paper of record'." David Shaw, *New York Times Moves from Distrust to Detente*, Los Angeles Times, March 31, 1998.

Preservation of The New York Times in Non-Paper Formats

6. For many years, complete issues of *The New York Times* have been reproduced and distributed on microfilm, microfiche and CD-ROM, as well as in the NEXIS computerized library of periodicals.

7. Since approximately July 1983, *The New York Times* has been available in the NEXIS computerized library of periodicals, which contains each daily issue since approximately June 1980.

Declaration of Alan Greengrass

8. Since approximately April 1992, *The New York Times* has been available on the New York Times OnDisc ("NYTO") CD-ROM product manufactured and distributed by University Microfilms International ("UMI"), which contains each daily issue since approximately January 1981.

9. Since approximately August 1990, *The New York Times Magazine* and *The New York Times Book Review* have been available on the General Periodicals OnDisc ("GPO") CD-ROM product manufactured and distributed by UMI, which contains each weekly issue since approximately January 1988.

Harm to The New York Times

10. As part of their prayer for relief in this case, Appellants have asked for an injunction that would prevent the Times Co. "from in any way copying, making a derivative work from, distributing, broadcasting, communicating or transmitting electronic copies of or otherwise electronically exploiting" Appellants' articles.

11. Appellant Tasini also has threatened to "shut down" NEXIS and "every database in the country," Felicity Barringer, *Freelancers Win Appeal in Copyright Suit*, The New York Times, Sept. 28, 1999, at C1, with a "tidal wave of lawsuits" on behalf of other freelance writers whose works also have been reproduced on NEXIS and CD-ROMs. Jason Williams, *Court Decision Could Leave Gaps in Archives*, Editor & Publisher Magazine, Oct. 2, 1999, at 5.

12. To reduce this risk, the *Times* would have to consider deleting from the electronic databases many other freelance

articles in addition to Appellants', because it would be impossible, as a practical matter, to identify, locate and negotiate with all freelance writers whose works have appeared in *The New York Times* since 1980, the date of the first *Times* NEXIS edition. The number of works lost through this process could number in the thousands or tens of thousands.

13. If neither the CD-ROM products nor NEXIS contained the complete text of *The New York Times*, these holes in the historical record would prevent *The New York Times* from containing "All the News that's Fit to Print" or constituting "the paper of record" in these electronic media. The only complete historical archive of *The New York Times* would be print editions and facsimile copies in microfilm and microfiche. The loss of customer confidence in the completeness of the electronic editions of *The New York Times* would have inevitable and incalculable effects on the future ability of the Times Co. to market electronic archives containing *The New York Times* to schools, libraries and other research facilities.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at New York, New York on April 11, 2000.

s/ Alan Greengrass
Alan Greengrass

REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW, 87TH CONG., 1ST SESS., COPYRIGHT LAW REVISION (H. JUDICIARY COMM. PRINT 1961), pp. ix-xi, 85-88

HOUSE COMMITTEE PRINT

87th Congress
1st Session

COPYRIGHT LAW REVISION

REPORT
OF THE
REGISTER OF COPYRIGHTS
ON THE
GENERAL REVISION OF THE
U.S. COPYRIGHT LAW

JULY 1961

* * *

Printed for the use of the House Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1961

* * *

[ix] PREFACE

BASIS FOR THIS REPORT

In 1955 Congress authorized the Copyright Office to undertake a program of studies leading to general revision of the U.S. copyright law. Thirty-four studies, covering most of the problems to be considered in drafting a new statute, have been completed and circulated to an advisory panel and other interested persons. On the basis of the studies, and the comments that have been received on them, the Copyright Office has analyzed the problems and has developed some tentative recommendations for their solution.

This report is a summary of our analysis and preliminary conclusions. Although it represents our best thinking at the present time, it is not intended as the final word on any particular problem or on the revision program as a whole. Our purpose in issuing this report is to pinpoint the issues and to stimulate public discussion, so that the widest possible agreement can be reached on the principles to be incorporated in a revised statute.

We hope that this report will reach all persons and groups concerned with copyright, that they will review it carefully, and that they will forward their detailed comments and suggestions to the Copyright Office. Their views in support of or opposition to our tentative recommendations will be given serious consideration in the next step in the general revision program — the drafting of a bill for introduction in the Congress.

Copyright Law Revision, Part 1

NEED FOR REVISION

The U.S. copyright statute, first enacted in 1790, has gone through three general revisions — in 1831, 1870, and 1909. The act of 1909, though since amended in some details, is still essentially the law today.

It seems unnecessary to dwell at length upon the changes in technology during the last half century that have affected the operation of the copyright law. Commercial radio and television were unknown in 1909. Motion pictures and sound recordings were in a rudimentary stage. New techniques for reproducing printed matter and recorded sounds have since come into use. These and other technical advances have brought in new industries and new methods for the reproduction and dissemination of the literary, musical, pictorial, and artistic works that comprise the subject matter of copyright. And the business relations between creators and users of copyright materials have evolved into new patterns.

A large body of judicial interpretation and business practice has grown up around the present statute. This has done much to adapt [x] the law to changing conditions, but its adaptability is limited. In many respects, the statute is uncertain, inconsistent, or inadequate in its application to present-day conditions. A general reexamination and revision have been urged on all sides.

Copyright Law Revision, Part 1

PAST REVISION EFFORTS[1]

Between 1924 and 1940 strong and continuous efforts were made to revise the act of 1909. A number of revision bills were introduced, and extended hearings were held by the congressional committees. The proposed revisions were designed mainly to conform our law with the Berne Convention, which was then the only international copyright convention of worldwide scope. Major changes in the U.S. law would have been required for this purpose. At the same time many persons were dissatisfied with the domestic impact of the 1909 statute, and most of the bills proposed broader changes than those required to join the Berne Union.

One revision bill was passed by the House in 1931, and a completely different bill passed the Senate in 1935. In the end, however, all these efforts bogged down in controversy among the various private interests, particularly over the fundamental differences between the Berne Convention and the U.S. law.

The legislative efforts aimed at U.S. membership in the Berne Union were abandoned after 1940. Instead, after the war, the United States participated in the development of a new worldwide convention — the Universal Copyright Convention — which was basically consistent with the U.S. law. In 1954 the statute was amended in the relatively minor respects necessary to conform it with the Universal Copyright Convention, and the United States became a party to the U.C.C. when the Convention came into force in 1955.

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1. See "Copyright Law Revision Study No. 1" (Senate committee print).

Copyright Law Revision, Part 1

PRESENT REVISION PROGRAM

Copyright Office studies. — The movement for general revision, which had been suspended during the development of the Universal Copyright Convention, was revived in 1955. In the legislative appropriation acts for the next 3 years, Congress provided funds for a comprehensive program of research and studies by the Copyright Office as the groundwork for general revision.

The studies were designed to present, as objectively as possible, the history and provisions of the present law, the problems it raises, past proposals for revision, comparable provisions in foreign laws and international conventions, and an analysis of the issues and alternative solutions. Most of the studies were prepared by the Copyright Office staff; a few were written by impartial specialists outside of the Office.

In carrying out this program the Copyright Office has been assisted by a General Revision Panel of 29 copyright specialists appointed by the Librarian of Congress. The Panel was chosen to include persons familiar with the problems and operations of the various groups concerned with copyright. A preliminary draft of each study was sent to the members of the Panel for review, and was then revised in the light of their comments. The members were also asked [xi] to submit their views on the substantive issues, and these were appended to the studies. The studies were then made available to the public, and all interested persons were invited to submit their comments and views.

The 34 studies have been printed in a series of committee prints by the Subcommittee on Patents, Trademarks, and

Copyrights of the Senate Committee on the Judiciary. A list of the studies is given in appendix A to this report.

The present report. — This report is the result of many months of concentrated work by a number of people in the Copyright Office. Starting with the research and analysis contained in the studies and the views expressed by the Panel members and others, an advisory group of the Copyright Office staff reviewed and debated the various alternative solutions in detail, and eventually reached tentative conclusions. The members of the General Revision Panel have not participated in the preparation of this report. Although a preliminary draft of the report was circulated to the Panel members for their comments, it cannot speak for them in general or on any specific point. The opinions and recommendations on the following pages represent my present thinking and that of the staff of the Copyright Office.

In arriving at our recommendations we have given consideration to all the views expressed on a particular problem. In the copyright law, however, few problems can be dealt with in isolation. A change in one provision will often require the adjustment of others, and many of our recommendations are closely interrelated.

Moreover, various private groups concerned with copyright have conflicting interests that impel them to differ sharply on some of the major issues.[2] The needs of all groups

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2. For a listing of various industries concerned with copyright materials, and an estimate of their economic importance, see "Copyright Law Revision Study No. 2" (Senate committee print).

must be taken into account. But these needs must also be weighed in the light of the paramount public interest.

We have tried to find practical solutions that will afford a balance between the various private interests and at the same time safeguard the welfare of the public. No one knows better than we the difficulty of accomplishing this result. We nevertheless believe that, taken as a whole, a revision program along the lines of our basic recommendations would represent a significant improvement in the copyright law and would benefit all concerned.

This report, and the studies that led up to it, are a testimonial to Arthur Fisher. The former Register of Copyrights, who died on November 12, 1960, had planned and organized the entire general revision program, of which the studies and report are a part. Their ultimate purpose — the enactment of a new and better copyright law — was the goal of Mr. Fisher's career, and its accomplishment will be a tribute to his vision and energy.

ABRAHAM L. KAMINSTEIN,
Register of Copyrights.
Copyright Office, The Library of Congress.

[85] CHAPTER VIII

OWNERSHIP OF COPYRIGHT

A. THE PRESENT LAW

The present statute (sec. 9) gives the right to secure copyright to "the author or proprietor * * * or his executors, administrators, or assigns." In the case of a "work made for hire," the employer is deemed to be the author (sec. 26).

Under the common law, the author has literary property rights in his work upon its creation. He may assign his common law rights to another person or, if he dies owning them, they will pass on to his legatees or heirs. The owner of the common law rights is the person entitled to secure copyright under the statute.

The owner of a statutory copyright may assign it to another person (sec. 28). When the owner dies, the copyright will pass on to the legatees under his will (sec. 28) or to his heirs under the State laws of intestate succession.

We have discussed above (ch. V, pt. D3) the special provision in section 24 giving the renewal rights to the author or specified heirs.

B. INITIAL OWNERSHIP

1. IN GENERAL

The right to secure statutory copyright is vested initially in the author, and any other claimant must acquire the right

from him. This basic rule, however, is subject to two qualifications:

(*a*) In the case of a work produced "for hire," the employer has the right to secure copyright (sec. 26).

(*b*) In the case of a composite or collective work — such as a periodical or encyclopedia — the publisher has the right to secure copyright. The reference in section 9 to the "proprietor" as a person entitled to secure copyright was apparently intended to cover this situation.

2. WORKS MADE FOR HIRE[1]

a. Ownership of rights

The rule has long been established, both under the common law and under the statute, that the rights in a work produced by an employee in the course of his employment are vested in the employer. This rule has been based on several grounds: (1) the work is produced on behalf of the employer and under his direction; (2) the employee is paid for the work; and (3) the employer, since he pays all the costs and bears all the risks of loss, should reap any gain.

[86] Some commentators have urged that this rule be changed for the benefit of employee-authors. They propose

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1. See "Copyright Law Revision Study No. 14" (Senate committee print).

that the employer be given the exclusive right to use the work in his regular business activities, but that the employee should have the rights in other noncompetitive uses. To illustrate how this proposal would work:

- In the case of a story written for a magazine publisher by an employee, the publisher would have the exclusive right to publish the story in any periodical; but the employee would have the exclusive right to use the story in a book, motion picture, broadcast, or any other medium not competitive with the magazine.

- In the case of a script written for a motion picture company by an employee, the company would have the exclusive right to use the script in a motion picture: but the employee would have the exclusive right to publish it in a book or magazine. The employee's right to use the script for a stage or television play would depend upon whether, in the p??? situation, that use would compete with the motion picture.

We believe that in some situations there is considerable merit in the argument that an employee-author should share in any commercial value his work may have beyond its use in the employer's business. But we see many practical difficulties in the proposal to divide the rights between employers and employees by a statutory formula:

- Controversial issues would frequently arise as to the scope of the employer's business, and as to the degree

of competition between his business and particular uses of the work. No definite rules could be laid down to resolve these issues in the great variety of situations involved.

- The proposal would be unworkable in the common situation where a work is the composite product of many employees.

- It would often be difficult for potential users to know whom to deal with.

It is more practical, we believe, to continue the present rule that all rights vest in the employer. Where employees are in a position to do so, they may bargain — as some have done — for a share of the revenue derived by the employer from subsidiary uses of the work. Most employees are not in this position, but they would probably gain little or nothing from having rights which their employers could require them to assign. In any event, we do not believe that the great variety of situations involved — in which the employment relations, the nature of the works, and their potential uses differ widely — can be fitted into a general statutory formula for the division of rights.

b. Form of statutory provision

(1) *Scope of "works made for hire."* — The phrase used in the present statute — "works made for hire" — has been criticized as being inexact, because it might be thought to include works made on special commission. The courts, however, have not generally regarded commissioned works as "made for hire."

It has also been suggested that the statutory language should reflect the holding of the courts that an employee owns the right in a work created on his own initiative outside the scope of his employment.

[87] Instead of the phrase "works made for hire," it was proposed in previous revision bills to substitute "works created by an employee within the regular scope of his employment." We would adopt this more precise language as a definition of "works made for hire."

(2) *Designation of employer as "author."* — The present provision (sec. 26) defining "author" as including "an employer in the case of works made for hire" has also been criticized on the ground that the employer is not in fact the author and should not be designated as such. It has been suggested that the statute, instead of indicating that the employer is the author, should merely provide that the right to secure copyright vests in the employer. We would adopt this suggestion.

3. COMPOSITE WORKS

a. Ownership of the work as a whole

In the case of a composite work — such as a periodical, encyclopedia, dictionary, or symposium — authorship of the work as a whole consists of compilation and editing. Ordinarily, this work is done by employees of the publisher, and the publisher secures the copyright.

The reference in section 9 to the "proprietor" — in addition to "the author * * * or * * * his assigns" — as a

person entitled to secure copyright was inserted at the request of publishers of composite works. That reference, however, is cryptic and confusing. The publisher of a composite work acquires the right to secure copyright either as the employer or the assignee of the author. The additional category of "proprietor" as a person entitled to secure copyright is unnecessary. We propose that it be deleted.

b. Ownership of component parts

When the component parts of a composite work are created by the publisher's employees, the publisher acquires the rights in each part as employer. But when the component parts are contributed by independent authors, each author is the initial owner of his contribution, and the publisher must acquire his rights by assignment.

A contribution to a composite work may be copyrighted separately in the name of the author, by placing a separate copyright notice on the contribution. But this is not usually done. The common practice is to place a single notice on the composite work in the name of the publisher. We have recommended above (ch. VI, pts. C 4 and D 5) that the single notice should be deemed to cover all the component parts for which no separate notice is given. Accordingly, the publisher named in the notice should be considered the copyright owner of all the component parts not bearing a separate notice.

However, the author of a contribution may not have assigned all of his rights to the publisher. And in some cases there is no express agreement between them as to the

assignment of rights. We propose that the rights not assigned should be held by the publisher in trust for the author. And in the absence of any express agreement, only the right to publish the contribution in a composite work like that of the publisher should be deemed to have been assigned.

[88] 4. RECOMMENDATIONS

The statute should provide that copyright may be secured by the author or his representatives, successors, or assigns, except that —

(*a*) In the case of a work made for hire (defined as a work created for an employer by an employee within the regular scope of his employment), the employer should have the right to secure copyright.

(*b*) In the case of a periodical, encyclopedia, or other composite work containing the contributions of a number of authors, the publisher should have the right to secure copyright. The copyright secured by the publisher in the composite work as a whole should cover all of the contributions not separately copyrighted; but the publisher should be deemed to hold in trust for the author all rights in the author's contribution, except the right to publish it in a similar composite work and any other rights expressly assigned.

C. Co-ownership[2]

1. IN GENERAL

There are a number of situations in which two or more persons may become co-owners of the same rights in the same work:

- When two or more authors create a work in collaboration, they are usually co-owners of the rights in the first instance;
- When an author transfers to another person an undivided share of his rights, he and his transferee become co-owners;
- When an author transfers all his rights to two or more persons, they become co-owners;
- When a deceased author has two or more heirs, they may succeed to his rights as co-owners;
- Under the present law, when there are several persons in the class entitled to claim a renewal copyright, they take the renewal as co-owners.

Co-ownership must be distinguished from "divisibility," the concept discussed later in this chapter. "Divisibility" concerns the ownership by different persons of different

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2. See "Copyright Law Revision No. 12" (Senate committee print).

rights in a work, while co-ownership means that two or more persons together own the same rights.

2. RIGHTS OF CO-OWNERS

The present statute is silent as to the rights of co-owners among themselves and in relation to third persons. The courts have dealt with these questions by adapting the established rules pertaining to the co-ownership of other forms of property by tenants in common. Under the court decisions, any one of the several co-owners of a copyright may use the work or license a third person to use it without the consent of the other owners, but ha must share the profits with them.

One co-owner can, of course, assign his interest to a third person who would then become a co-owner in his stead. But since any . . . .

* * * *

DISCUSSION AND COMMENTS ON REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW, 88TH CONG., 1ST SESS., COPYRIGHT LAW REVISION, PART 2 (H. JUDICIARY COMM. PRINT 1963), pp. vii, 109, 143-144, 151-153, 380, 385, 387

HOUSE COMMITTEE PRINT

88th Congress
1st Session

COPYRIGHT LAW REVISION
Part 2

DISCUSSION AND COMMENTS ON
REPORT
OF THE
REGISTER OF COPYRIGHTS
ON THE
GENERAL REVISION OF THE
U.S. COPYRIGHT LAW

FEBRUARY 1963

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WASHINGTON : 1963

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[109] TRANSCRIPT OF MEETING ON GENERAL REVISION OF THE U.S. COPYRIGHT LAW

LIBRARY OF CONGRESS,
Washington, D.C., Wednesday, January 24, 1962.

Present:

Abraham L. Kaminstein, chairman.
Julian T. Abeles, Music Publishers' Protective Association, Inc.
Richard B. Bilder, Department of State.
Thomas C. Brennan, Senate Judiciary Committee.
George D. Cary, Copyright Office.
Walter J. Derenberg, U.S. Copyright Society.
Sidney A. Diamond, London Records.
Joseph S. Dubin, Universal Pictures Co., Inc.
Simon R. Epstein, Government Printing Office.

Robert W. Frase, American Book Publishers Council.
George E. Frost.
Herb Fuchs, House Judiciary Committee.
H.L. Godfrey, Department of Justice.
A.A. Goldman, Copyright Office.
A.H. Helvestine, Department of Defense.
Irwin Karp, Authors League of America.
Bernard Korman, ASCAP.
Waldo G. Leland, American Council of Learned Societies.
George E. Long, Bureau of Customs.
Horace S. Manges, American Book Publishers Council.
Isabelle Marks, Decca Records.
Joseph A. McDonald; Smith, Hennessey & McDonald.
Frank G. Naughten, National Science Foundation.
Harry R. Olsson, Jr., National Broadcasting Corp.
John R. Peterson, cochairman, Committee on Program for Revision of the Copyright Law, American Bar Association.
Mrs. Harriet Pilpel.
Barbara A. Ringer, Copyright Office.
Rutherford D. Rogers, Library of Congress.
Edward A. Sargoy, Committee on Program for Revision of the Copyright Law, American Bar Association.
Adolph Schimel, Universal Pictures Co., Inc.
Sidney Schreiber, Motion Picture Association of America.
John Schulman, chairman of the American Patent Law Association Committee on Copyright.
Paul J. Sherman, Music Corp. of America.
Eugene J. Skora, U.S. Information Agency.
Gerald S. Stephenson, Department of Commerce.

Samuel W. Tannenbaum, chairman of the Copyright Division, Section of Patent, Trademark, and Copyright Law, American, Bar Association.

Emmett E. Tucker, Jr.; Hanson, Hanson & Cobb.

G.L. Ware, Department of Treasury.

Philip B. Wattenberg.

Harvey J. Winter, Department of State.

* * *

[143] Miss RINGER.

[144] I think that there are really six principal problems dealt with in the chapter: First, works made for hire; second, the question of ownership of material appearing in composite works (we've already touched on that this morning in the context of notice); third, the group of problems involving co-ownership and joint authorship of works; fourth, the question of divisibility of copyright; and fifth, problems involving the requirements for execution and recordation of assignments and other transfers.

There is a sixth problem, a very important one, which has come to be called the 20-year limitation on assignments, but this was discussed at the last meeting in the context of duration and renewal, and we do not plan to cover it again this afternoon.

To summarize the recommendations in the report very briefly:

First, with respect to works made for hire, I think the report in essence recommends that the present law be retained. Under the present law, as you are very well aware, the employer

has the right to secure copyright. The report recommends a somewhat more specific definition of what is a "work made for hire," but other than that would leave the present law undisturbed.

Second, with respect to composite works and the rights in the various contributions to them — of course, the term "composite works" includes periodicals and the whole area of collective works; we're just using that term for convenience — the report recommends that the publisher should have the right to secure copyright in the work as a whole. Bear in mind, this is leaving aside the entire question of notice. This involves ownership only. With respect to the ownership of contributions to composite works, the report recommends that this very nebulous question be clarified, and that the publisher would be deemed, and I am quoting —

> to hold in trust for the author all rights in the author's contribution, except the right to publish it in a similar composite work, and any other rights expressly assigned.

Third, with respect to coownership the report recommends leaving the present law, as it has developed over the years in the courts' decisions, essentially unchanged, and I won't review what that law is. But, in the area of joint authorship, the report takes the position that the courts, particularly in the "*Twelfth Street Rag*" and "*Melancholy Baby*" cases, have gone too far, and it would redefine the concept of joint authorship. It would define that concept as —

> a work created initially by two or more authors with the object of integrating their contributions into a single work.

Fourth, the report recommends that the statute specifically recognize the principle of divisibility of copyright. And what this would mean, among other things, would be that the various rights under a copyright could each be assigned separately and also that, with certain procedural safeguards, the assignee of a particular right could sue for infringement in his own name, without having to join his assignor.

And fifth, the report contains a number of recommendations with respect to the formal requirements for the execution and recordation of transfers. I won't go into these in detail, but I will mention what I consider probably the most significant:

* * *

[151] Mr. OLSSON. Sometimes, Paul, I can cure it. I agree, sometimes I can. But I don't want to be confined to using works where I can do it by curing it in a contractual way. I want to be free to bring the public all possible works I can bring them, and not only the ones where I can do it safely.

Mr. KAMINSTEIN. Well, I think we ought drop this at this point.

Mr. OLSSON. B won't always give me a license. In other words, I can't go to B.

Mr. KORMAN. There's no problem.

Mr. KAMINSTEIN. Well, I'm sure there is a problem — for someone.

Mr. KORMAN. Is he thinking about this work outside of a motion picture film, or is he just concerned with it when it's —

Mr. OLSSON. Well, what I'm suggesting is that perhaps the test ought not to be —

Mr. KORMAN. If he could get this work cleared by ASCAP, for example — to take the case he gave — and if we specifically clear a work for him, he has nothing to worry about.

Mr. OLSSON. I'm suggesting —

Mr. KAMINSTEIN. Harry, I would welcome an opportunity to see in writing how this would affect you under the present rule and under the rule we propose. And I think, until you get that sort of thing in front of you, we may be arguing about particular situations rather than the general rule.

Mr. OLSSON. Well, I've been misunderstood so much, may I say one thing to clarify what it is that I'm concerned with here. I think perhaps the test of whether you have a joint work should depend on an examination of the work itself, rather than by reference to the motives of the people who wrote the contributions to the work originally —

Mr. KAMINSTEIN. I think we got that point. Mrs. Pilpel.

Mrs. PILPEL. I have a similar comment to make with reference to a similarly well-intentioned suggestion in this part of the report — unless I also misunderstand the report. And that appears at the bottom of page 87, where the report states that, in the absence of any express agreement, only the right to publish a contribution in a composite work like that of the publisher should be deemed to have been assigned.

Now, I think this was an attempt on the part of the reporter to make a favorable rule for the original creator of the contribution to the composite work. But, as I see it, it is less favorable than the present law — unless I'm mistaken about the present law. I think the present law would leave the question wide open. In other words, it is a question under present law of the intent of the parties. And the author could argue, in the absence of an express agreement, that all he gave to the publisher was the right to include his contribution in that particular composite work. There is no presumption that he gave anything more than that. And indeed, in my experience, most authors do not intend to give any more than that, except when the buyer says, "We are buying all rights, or these rights."

But we're talking of a situation where you don't have an express agreement. By putting this provision in the report, I think you are putting the author in a worse position than he is under present law, [152] since he could not thereafter ever grant an exclusive — and, indeed, may not ever be able to grant a right to include that work in a composite work, since it would be deemed that he had assigned that particular right to the purchaser of the first right to include it in a composite work. Therefore I would oppose that provision.

Mr. KAMINSTEIN. Well, I would certainly welcome additional comment on this, since this was originally designed to protect the author.

Mrs. PILPEL. I know.

Mr. SCHULMAN. In that connection, I'd like to suggest something which may run through a number of recommendations in the report. The law as recommended would lay down hard and fast rules whereby, if such a thing happens, the consequence flows as follows. I think I suggested in one of my comments that we look at this report and the copyright law in the light of the sales acts which have been enacted, and the Negotiable Instruments Act, which do not lay down hard and fast consequences but create presumptions. In other words, if certain things happen, a presumption follows that the stated conclusion will result. And if you examine the sales acts particularly, as well as the Negotiable Instruments Act, you'll find that they are not inevitable consequences; they are merely rebuttable presumptions.

I raise that in connection with works made for hire, as to who is to own the copyright. You might say that if there's a service contract there is to be a presumption. But to require, as a matter of law, that an employee's work be considered that of the employer to me seems carrying the law beyond the necessities, and carrying the law beyond the intention of the parties. You may have all sorts of consequences flow from employment contracts, from engagements, and so forth, but each party should be entitled to provide his own

consequences, so that things follow only if there is an absence of a different intention of the parties.

And as to what Harriet said, and the same with what Harry Olson was arguing, I think we'd find less opposition or less lack of ease about some of these proposals if they were put in the form of presumptions. In other words, if nothing else is said, the presumption would follow in the absence of an agreement to the contrary. That, of course, is one of my objections to the *Pushman* case. It laid down the rule of the transfer of copyright as a matter of law, not as a matter of presumption. And I think that if we thought in those terms, that certain presumptions are created from certain transactions but that they are nevertheless rebuttable presumptions, I think we'd find greater agreement on some of these protective provisions.

Mr. KAMINSTEIN. Mr. Karp, do you agree with Mrs. Pilpel on this?

Mr. KARP. Yes, I do; and I think that it would simplify matters from the point of view of the author, the publisher, and anybody who is taking rights from the publisher, if the line of presumption were made clear. In other words, I see no objection to saying that, where a short story is published in a magazine, it should be presumed that the publisher has acquired only the first serial right, or first magazine right, or whatever you call it — the right to publish in that edition — and that, in the absence of a specific assignment of other rights by the author in writing, recorded, no one would be free to presume that the publisher owned anything else, and would have to deal with the author.

[153] If the publisher wanted more, and the author were willing to give more, then they would do it by means of a specific assignment of other rights, which the publisher would then have available to record and to show to anybody who was going to deal with him with respect to these other rights. And I think the same should hold true in the case of a composite work.

Mr. DIAMOND. I would just like to note my general agreement with what Irwin Karp and Harriet Pilpel said about this, and to point out that I think the whole difficulty in this particular recommendation is the reference to a "similar composite work." Perhaps the basic intention really wasn't quite that, but was meant to apply to "that particular composite work." I think practically everybody would agree, then, that that was a desirable rule.

Mr. SCHIMEL. Mr. Kaminstein, if this point is finished, I'd like to address myself to something else.

Mr. MANGES. On this point —

Mr. KAMINSTEIN. Just a moment, then. Mr. Manges.

Mr. MANGES. I'm not clear what happens if there is a revised edition of the composite work and some of the selections are omitted. Is that a composite work like that of the publisher, as referred to?

Mr. KARP. No, I would assume not. But you protect yourself by adding to your voluminous contract another clause which says —

the publisher shall have the right to publish revised editions of this composite work, eliminating some of the contributions.

Mr. KAMINSTEIN. Mr. Schimel.

Mr. SCHIMEL. I should like to address myself to the proposal contained on the top of page 87, that instead of indicating that the employer is the author, it should merely provide that the right to secure copyright vests in the employer. I think that the producers of motion pictures would be very much prejudiced because certain rights are said to flow to an author — particularly in foreign countries, which would vest in others than the employer unless the employer were designated as the author.

Now, the number of contributors to a motion picture are many, and in foreign countries, particularly, there may be rights created in authors which would not vest in the corporate owner. And I think that, for purposes of the protection of the motion-picture producer who creates a composite work through the endeavors of a number of contributors, he should be the author if he is the employer for hire.

Mr. KAMINSTEIN. Mr. Schulman.

Mr. SCHULMAN. I am going to speak on this and then keep quiet for awhile. But this question of authorship for hire has always bothered me, I can't see how one can transfer authorship, as such, from a living person to a corporation.

I can see how one can provide that an employer shall have certain rights in the absence of an agreement to the

contrary. It should be possible for me to make an agreement with a motion-picture company to produce some literary work, and still reserve title to myself, if the motion-picture company is willing to make such a contract. Now, the difficulty with the concept of a work made for hire is, it doesn't allow the very leeway of which I spoke before. It should be possible for me to make a contract and say, "Even though I am employed, and you pay me X dollars a week, nevertheless I want to own title to . . . .

* * *

[380] HARRIET F. PILPEL AND MORTON DAVID GOLDBERG

May 22, 1961.

We (that is, Harriet F. Pilpel and Morton David Goldberg) have read with great interest the tentative draft of your recommendations to Congress on the general revision of the copyright law. It is a remarkably good job (not unexpected, considering the caliber of the people who prepared it), and there are only a few points on which we have any significant disagreement — most notably, your recommendation that the system of separate terms of original and renewal copyright be continued.

Accordingly, our comments should be read as supporting in essence all the recommendations which you have made, except those as to which we have noted specific disagreement. We have also made comments on specific highlights of your recommendations with which we want to accentuate our agreement (notably, for example, your recommendation that the manufacturing clause be abolished).

Copyright Law Revision, Part 2

For ease in reference, we have keyed our comments to the chapter outline and tentative page numbering in the draft.

CHAPTER II — COPYRIGHTABLE WORKS

B. Specification of classes of copyrightable works

You suggest here that the extension of the copyright statute to new areas should be left to consideration and determination by Congress. In our opinion, however, the *Capitol Records* case illustrated not only the ambiguity of the scope of copyrightable works under the present . . . .

* * *

[385] copyright is secured. Accordingly, in the absence of a written agreement to the contrary the actual creator of a work, and not his employer, should be deemed the copyright proprietor. Such an approach, to our view, would result in the maximum reward to creative efforts, and consequently the greatest stimulation of such efforts and benefit to society.

3. *Composite works*. — We strongly support your recommendation that in the absence of any express agreement, only the right to publish the contribution in a composite work like that of the publisher should be deemed to have been assigned. The adoption of this recommendation would eliminate great inequities in the magazine field, where writers and photographers frequently cede subsidiary rights to the publisher inadvertently, which would not be the case if the publisher were required to make an express agreement to obtain such rights.

D. Transfer of rights

3. Protection of authors against unfair transfers — We support the concept of a time limit on transfers that do not provide for continuing royalties, and agree that a period of 20 years would probably be ample time in most cases for a lump-sum transferee equitably to complete his exploitation. Our only objection here would be that unless the statute is made very specific, the concept can be defeated by a contract which provides for only a nominal continuing royalty.

CHAPTER X — INTERNATIONAL ASPECTS OF COPYRIGHT

A. Works of foreign authors

We support your recommendation that copyright protection be extended to foreign works generally, without requiring reciprocity or national treatment. Not only would such extension eliminate some of the complexity of the copyright law, but also anything we can do to enhance our international relations — in the area of copyright or any other area — would be helpful at this time.

A slight modification of your proposal, however, might be suggested: perhaps Congress should give the authority to the President to grant this blanket copyright protection to specific nations as he sees fit. If the President then, for example, made a specific grant of protection to each individual member of the United Nations, this would perhaps be more impressive than merely a nonspecific congressional enactment. Also, we would assume that our desire for the

fullest American access to Soviet scientific publications would make it advisable not to extend such protection to the Soviet Union. If this be the case, the mere absence of any specific extension of positive protection to the Soviet Union might be more politic than a negative Presidential decree specifically denying such protection to that country.

B. Manufacturing and related provisions

Amen. The manufacturing clause is perhaps rivaled only by the system of renewal copyright in the needless trouble and complication which it inflicts on not only the legal practitioner but the creators and users of copyrighted works. Photographers especially bear the brunt of this provision, in view of the excessive domestic costs which make . . . .

* * *

[387] The above comments are a reaction to the general recommendations made in the tentative draft, and we would hope to be of further assistance in commenting on the specific language of the statute to be proposed to Congress. Also, of course, these comments are necessarily abbreviated in view of the fact that time does not permit more detailed discussion.

Kindest regards.
Sincerely,

HARRIET F. PILPEL
MORTON DAVID GOLDBERG.

* * * *

PRELIMINARY DRAFT FOR REVISED U.S. COPYRIGHT LAW AND DISCUSSIONS AND COMMENTS ON THE DRAFT, 88TH CONG., 2d SESS., COPYRIGHT LAW REVISION, PART 3 (H. JUDICIARY COMM. PRINT 1964), pp. 15, 255-261, 266-267, 418-419

COPYRIGHT LAW REVISION

Part 3

PRELIMINARY DRAFT FOR REVISED
U.S. COPYRIGHT LAW

AND

DISCUSSIONS AND COMMENTS
ON THE DRAFT

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1964

* * *

[15] § 14. OWNERSHIP OF COPYRIGHT

(a) *Initial ownership.* Copyright in a work protected under this title shall vest initially in the author or authors of the work. The authors of a joint work[10] shall be considered co-owners of

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10. A "joint work" would be defined elsewhere as a work prepared by two or more authors in collaboration or with the intention that their contributions be merged into indistinguishable or interdependent parts of a unitary whole.

copyright in the work. Ownership of copyright may be transferred to the legal representatives, successors in title, or assigns of the author or authors.

(b) *Divisibility of copyright.* Any of the exclusive rights in a work may separately be transferred and owned. The owner or owners of any particular exclusive right under a copyright shall, to the extent of that right, be entitled to all of the protection and remedies provided in this title.

(c) *Works made for hire.* In the case of a work made for hire,[11] the employer shall, for purposes of this title, be considered the author and shall have all of the rights comprised in the copyright unless the parties have expressly agreed otherwise.

(d) *Contributions to collective works.* Copyright in each separate contribution to a collective work[12] shall be distinct from copyright in the collective work as a whole, and shall vest

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11. A "work made for hire" would be defined elsewhere as a work prepared by an employee within the scope of the duties of his employment, but not including a work made on special order or commission.

12. A "collective work" would be defined elsewhere as a work, such as a periodical issue or encyclopedia, combining the separate contributions of various authors into a collective whole.

initially in the author of the contribution. The owner of copyright in the collective work shall, in the absence of an express transfer of the copyright or of any exclusive rights under it, be presumed to have acquired only the privilege of publishing the contribution in that particular collective work.

§ 15. OWNERSHIP OF COPYRIGHT AS DISTINCT FROM OWNERSHIP OF MATERIAL OBJECT. Ownership of a copyright, or of any of the exclusive rights under a copyright, is distinct from ownership of any material object, in which the work is embodied. Transfer of ownership of any material object, including the original copy or record of the work, shall not of itself convey any exclusive rights in the copyrighted work embodied in the object; nor, in the absence of an agreement, shall transfer of ownership of a copyright or of any exclusive rights under a copyright convey property rights in any material object.

SECTION 16: ALTERNATIVE A

§ 16. LIMITATIONS ON TRANSFERS OF COPYRIGHT OWNERSHIP

(a) In the case of any work other than a work made for hire, a transfer by the author after the effective date of this act, otherwise than by will, of copyright or of any exclusive right under a copyright . . . .

* * *

Copyright Law Revision, Part 3

[255] TRANSCRIPT OF MEETING ON PRELIMINARY DRAFT FOR REVISED U.S. COPYRIGHT LAW:

DISCUSSIONS OF §§ 14-18

LIBRARY OF CONGRESS,
Washington, D.C., June 11, 1963.

Present:

Abraham L. Kaminstein, chairman.

Julian T. Abeles, Music Publishers, Protective Association, Inc.

Eugene N. Aleinikoff, National Educational Television and Radio Center.

Thomas C. Brennan, U.S. Senate Judiciary Committee.

Fulton Brylawski.

S. J. Buzzell.

Richard Colby, Motion Picture Association of America Copyright Committee.

Walter J. Derenberg, Copyright Society of the U.S.A.

Sidney A. Diamond, London Records, Inc.

Robert V. Evans, Columbia Broadcasting System, Inc.

John Farmakides, National Aeronautics and Space Administration.

William P. Fidler, American Association of University Professors.

Herman Finkelstein, American Society of Composers, Authors and Publishers.

Robert Frase, American Book Publishers Council.

H. L. Godfrey, Department of Justice.

Morton David Goldberg; Foster, Ginsberg & Schwab.

Abe A. Goldman, Copyright Office.
Charles F. Gosnell, American Library Association.
Laurence B. Heilprin, Council on Library Resources.
A. H. Helverstine, Department of Defense.
Theodore R. Jackson, Gilbert & Gilbert.
Irwin Karp, Authors League of America.
Sydney M. Kaye, Broadcast Music, Inc.
Leon Kellman, American Guild of Authors and Composers.
Peter H. Kennedy, Christian Science Church.
John M. Kernochan, Columbia University Law School.
Germaine Krettek, American Library Association.
William Lichtenwanger, Library of Congress.
Bella L. Linden, American Textbook Publishers Institute.

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Owen Love, National Education Association.
Horace S. Manges, Joint Committee of the American Book Publishers Council and the American Textbook Publishers Institute.
Spencer C. Olin, Walt Disney Productions.
Harry R. Olsson, Jr., American Broadcasting Company.
Harold Orenstein, Orenstein, Arrow & Lourie.
E. Gabriel Perle, Time, Inc.
John R. Peterson, American Bar Association.
Daniel J. Reed, Library of Congress.
Barbara A. Ringer, Copyright Office.
Saul N. Rittenber, MGM.
Thomas J. Robinson, Motion Picture Association of America.

Harry N. Rosenfield.
Myron Roth, National Broadcasting Company, Inc.
Edward A. Sargoy, American Bar Association.
Sidney Schreiber, Motion Picture Association of America.
John Schulman.
James A. Stabile, National Broadcasting Company, Inc.
William S. Strauss, Library of Congress.
Samuel W. Tannenbaum, Johnson & Tannenbaum.
Franklin Waldheim, Walt Disney Productions.
Alfred H. Wasserstrom.
Philip B. Wattenberg.
Nancy Wechsler, Greenbaum, Wolff & Ernst.
Michael W. Werth, Department of Justice.
John F. Whicher, Sargoy & Stein.
Leonard Zissu.

* * *

KAMINSTEIN. Ladies and gentlemen, I have been asked to advise you that the Panel meetings have been opened to the members of the press. I am sure the reporters understand that we are discussing preliminary draft provisions and that, in order to promote a more fruitful exchange of viewpoints, it has been made clear that your remarks do not necessarily reflect or represent any formal or official position.

I should like to turn first to section 14, and call on Mr. Goldman, the General Counsel of the Copyright Office, to introduce that provision.

Copyright Law Revision, Part 3

GOLDMAN. Section 14 of the preliminary draft lays down basic principles regarding two subjects: the initial ownership of the exclusive rights, and the transferability of ownership. In subsection (a), the first sentence states the fundamental principle that copyright vests initially in the author or authors. The second sentence supplements that by stating the rule that in the case of a "joint work" — which would be defined elsewhere in the statute, as indicated near the bottom of the page in a footnote — the two or more authors would be co-owners initially. The third sentence states the fundamental prin-[257]ciple that ownership may be transferred from the author, to his legal representatives, successors, or assigns.

Subsection (b) states the general principle that copyright is divisible — that is, that any of the rights in the work can be transferred separately. The second sentence in (b) makes it explicit that, where the statute refers to the protection afforded the copyright owner or the remedies available to the copyright owner, then, with respect to any particular right that may have been transferred separately, the protection and the remedies are available to the owner of that particular right as the copyright owner.

Subsection (c) deals with the special case of works made for hire. It provides that, for the purposes of this title, in the case of a work made for hire — with a definition indicated again in a footnote at the bottom of the page — the employer shall be considered the author, with the result that the employer would have all of the rights unless the parties have expressly agreed otherwise.

Now subsection (c) departs in one or two respects from the recommendations in the Register's Report, and I want to point them out. The Report proposed that, instead of calling the employer for hire the author as the present law does, this "fiction," as the Report termed it, be dropped, and the provision read in substance that the employer would have all of the rights of the author, or that the employer would be the initial owner of copyright. The result actually would not be different, with respect to ownership, from saying that the employer would be considered the author. Representatives of the motion picture industry have urged very strongly that it is important for them to have the employer for hire denominated as the author. Subsection (c) now represents that point of view.

It also incorporates another suggestion — that the ownership of copyright by the employer for hire be, as some advocates put it, a presumption which would be subject to an agreement otherwise. The last clause in subsection (c) states that the parties may expressly agree otherwise with respect to ownership of the rights in a work made for hire.

Turning to the next page of the draft, subsection (d) of section 14 deals with the special case of ownership of contributions to a collective work. The first sentence states the principle that the copyright in a contribution is distinct from the copyright in the collective work as a whole, and that the usual principle that copyright ownership begins in the author applies to the contribution. That is, the author of the contribution is initially the owner of the rights in the contribution.

The second sentence deals specifically with the question of ownership as between the author of the contribution and the copyright owner — normally the publisher — of the collective work as a whole, in the absence of an express agreement between them. In the Report it was [258] recommended that, in this situation, the publisher of the collective work would be presumed to have the right to publish the contribution in his particular collective work, and in any similar collective work.

In the course of our previous discussions of that question, strong arguments were made that there should not be a presumption of transfer of ownership, in the absence of an express transfer, of the right to publish the contribution in a similar collective work. We have adopted that argument, and the second sentence provides now that, in the absence of an express transfer of the copyright or an express transfer of any particular exclusive right under it, it would be presumed that the copyright owner of the collective work would have acquired only the privilege of publishing the contribution in his particular collective work. The only other rights he would acquire would be any that were transferred to him expressly.

Let me call your attention to one other thing. We have not, anywhere in section 14 or the other sections presented today, made special provision for the ownership of copyright in a motion picture or in a sound recording. Just as under the present law, ownership of copyright in a motion picture is ordinarily determined by the rule governing works made for hire. So, for the present at least, the ownership of copyright in a sound recording would be left in the same situation as a motion picture. The question of ownership, insofar as any

provision has yet been proposed in this draft, would be governed by the rule pertaining to works made for hire.

ABELES. I really don't understand the purport of the provision that "Copyright in a work protected under this title shall vest initially in the author or authors of the work." When an author creates a work, he assigns it to a publisher, a motion picture producer, or whoever it might be. The assignee takes out the copyright, and it initially vests in the author. It is definitely illogical. When does it part company with the author?

Then it says "Ownership of copyright may be transferred to the legal representatives, successors in title, or assigns of the author or authors" — nobody else. In other words, according to this, the author would forever own the copyright, subject to the acquisition thereof from or through him. It could only be transferred to the legal representatives, successors in title or assigns of the author or authors. An author does not obtain the copyright, so how can it initially vest in the author, subject to disposition only from or through him? The one that the work is assigned to obtains the copyright; it belongs to that party, subject to that party's disposition thereof. The proposed provision would be a radical, illogical and impractical departure from existing procedure.

Now, later on, it says "A 'work made for hire' would be defined elsewhere as a work prepared by an employee within the scope of the duties [259] of his employment, but not including a work made on special order or commission." In other words, a motion picture company would employ a man,

and give him three months to write a script. That would be a work made on special order or commission, and therefore it would not be for hire. I just can't comprehend that.

MANGES. I would be strongly opposed to the proposed definition of works for hire, especially with respect to the last clause that Mr. Abeles just mentioned, where it says, "... but not including a work made on special order or commission." Today in book publishing, for example, probably a majority of the cases of works for hire involve works made on special order or commission. If there were any such definition here, you'd put a whole industry out of business — namely, the freelancers. Publishers would be discouraged completely from using any freelancer. There would be a necessity of putting people on the payroll whom the employers wouldn't want to put on the payroll, and where the employees would prefer to work as independent contractors.

Now, I don't know anything wrong in the present system, where we don't have such a definition. I have heard no broad-scale complaint, and I don't understand the reason for this change, which is absolutely revolutionary.

With respect to the proposed definition in section 14(d), where examples are given of a collective work, one of the most obvious examples would be an anthology; it may be that it is so obvious that it isn't mentioned. On the other hand, its present absence seemed very puzzling to people who have been reading this footnote.

WASSERSTROM. I'd like to speak to the point raised by Mr. Abeles a moment ago, because it ties in with the other point that I wish to address myself to. I take it that, when you define "ownership" in section 14(a), the critical word would be "initially." I mean, you're not endeavoring to change the law. It's just a matter of tracing your rights to the author — that is the present posture of the law as I understand it — so that initially the ownership is in the author, the creator of the work.

But what puzzles me, and what I react adversely to in subsection (d), is that you emphasize this relationship again in respect to collective works. And I raise this question, which is a very serious one, at least to my clients as publishers of magazines: where do we go with regard to a work independently authored and making its first appearance in a periodical or in a magazine?

Now if you say, as you do, that initially the copyright is in the author and not in the publisher of the work as a whole, it seems to me that you're running counter to a well-established practice in the magazine publishing field — that copyright is initially secured in the name of the publisher. Between the parties — the author and the pub-[260]lisher—there may be arrangements as to rights; but, as far as third parties are concerned, initial copyright (in the absence of an agreement to the contrary) is generally secured, in my judgment and in consonance with my understanding and experience, in the name of the publisher of the periodical. Then the publisher will hold it in trust for the author with respect to all rights except those acquired by the magazine publisher. Are you endeavoring to change such established practice?

GOLDMAN. Would your concern be laid at rest, Mr. Wasserstrom, if what you stated with respect to subsection (a) were also the case with respect to subsection (d) — that is, a provision that copyright stems from the author, but that the publisher of the periodical, by agreement with the author and by transfer from the author, could secure whatever rights they contract for in the transfer?

WASSERSTROM. Well, I think that would go a long way toward clarifying my objection to the way subsection (d) is presently worded. But if you mean to emphasize an express transfer in regard to subsection (d), that is, the need for an express provision, then I think you are running counter to something that is well established in the magazine-publishing field.

I think such change could be hurtful to authors, as well as to publishers, because the present arrangement, as I understand it, protects authors sufficiently, even though there isn't an express transfer. There may be an implied one — implied in fact as the result of a well settled and known practice in that field whereby, although the right to copyright derives from the author, there is perforce logical priority in authorship, nonetheless the copyright is secured, in the first instance, in the name of the publisher. I wouldn't want to see that changed. I would be duty-bound to oppose a statutory provision that would require or promote such change.

GOLDMAN. But it is secured by the publisher by virtue of some kind of transfer from the author.

WASSERSTROM. Yes, either express or implied.

GOLDMAN. Now this says that, in the absence of any express agreement, it remains in the author. In effect it leaves wide open the question of who is the owner if there is an express transfer.

WASSERSTROM. Well, the word "express" in the phrase is what I object to: that work should, I submit, be deleted.

PETERSON. I would like to support Mr. Manges' point with respect to the definition of a "work made for hire." It seems to me that that should include a work made on a special order or commission too. I don't think there is any valid philosophical or economic difference between the situation in which you have a man on a continuing basis of orders which justifies placing him on your payroll, and the situation in which you give him a particular order for a particular job. And [261] as in the book publishing field many books are written on special order or commission, so in the field of publishing in many different languages. Often when you wish to publish in a particular language where you don't have much need for it, you bring in a translator or someone who works well in that language for that particular job or commission. You don't have enough work to keep him on the payroll all the time, yet that work essentially is "made for hire."

LINDEN. At this juncture I certainly wish to support Mr. Manges' and Mr. Peterson's positions with respect to the phrase ". . . but not including a work made on special order or commission" in the definition of "works made for hire." I concur that translations become a problem to the

publisher. All contributions to encyclopedias and reference works become problems. The long introductions that have become popular in the publishing field as introducing, both by way of background information and explanation, literary works in the public domain furnish another illustration of the kinds of works made for hire under the present system, and paid almost at all times by a lump sum payment, that would be excluded from subsection (c) of section 14. This should be particularly borne in mind when we examine Alternative A of section 16.

I also wish to comment with respect to subsection (d) of section 14. I note in the second sentence the phrase ". . . in that particular . . ." (I am emphasizing the word "particular") ". . . collective work." The addition of the word "particular" raises in my mind the question as to whether revisions of that collective work would be "that particular work" — whether a volume containing only half of the material in "that particular collective work" would therefore be excluded.

KARP. Mr. Kaminstein, as to Mr. Wasserstrom's comment on subsection (d), I think that the draft as written reflects and clarifies what is sound practice in the publishing field. Actually, the publisher takes copyright in individual contributions to collective works only because of a disinclination to put copyright notices on the bottom of the first page of each article or story. Every reputable publisher that I know of willingly reassigns to the author, immediately after publication of the periodical, all rights except first periodical or first serial rights. And as Mr. Goldman has pointed out (and I heartily agree with him) this certainly makes it easier to carry that practice forward into the law.

I really see no conflict between the position of the publisher and this section. They say the same thing, and this section would just make it a matter of record. It would avoid the necessity of assignments and carry out what is the agreement between most authors, publishers, and only an implied agreement. There are very few contracts between article- and story-writers and their publishers as to what's to happen. It is simply the practice of the trade that, when the magazine has published it reassigns all rights except first serial rights.

* * *

[266] As for divisibility of copyright no one except myself seems upset about dividing a copyright into little pieces and then making each piece copyrightable. I think probably the reason for it is that we are all aware of the procedural and party problems that you get out of having indivisible copyright. Since we haven't had experience in this country with the kinds of problems that you get with divisible copyright, we have a tendency to think that everything is going to be fine when we change.

But I suggest that you are going to have the same party problems and procedural problems once you've got divisible copyright that you have had in the past with indivisible copyright. The only difference is that the burden is going to be shifted now from plaintiffs to defendants. And I suggest that it is unjust to shift that burden.

Plaintiffs have two remedies whereby they can avoid the procedural and party problems. First, when they deal with

one another they can provide in their contracts (as the motion picture people do quite consistently) that the proprietor of the copyright, the author generally, may be joined in any lawsuit by name and made to appear as a plaintiff in the action with the licensee, say, of exclusive motion picture rights. The whole problem can be solved in that way — in a contractual way. The plaintiffs also have another opportunity. The author, when he makes an assignment to somebody, can choose the person to whom he makes the assignment. He has at least the possibility of some choice in the matter.

Users, who are normally defendants in these law suits, cannot solve these problems by contract in the first place because they are not parties to these contracts. They appear merely as defendants. And, moreover, they don't choose the people among whom the rights are going to be split up.

It seems to me that all the rational arguments favor leaving the burdens where they now are — that is with the plaintiffs.

As for "works made for hire," I agree completely with Horace Manges as to the definition, that the phrase ". . . but not including a work made on special order or commission" should he dropped.

As for section 14(d), I am troubled only by the matter following the asterisk which defines a "collective work." It seems to me that the definition is so broad that it would include a motion picture. I wonder if that is intended.

KAMINSTEIN. I think many of you don't know Mr. Perle, who is Associate General Counsel of Time, Inc. Did you have your hand up, Mr. Perle?

PERLE. I would like to address myself to two things. First, in section 14(c), I not only subscribe to what I hope is the majority view as expressed by Mr. Jackson, Mr. Abeles, and so on, but I think that [267] it's of vital importance. In thinking about "works made for hire," I think one of the things that is overlooked where a work is made on commission or on special order is that, at least from a philosophical standpoint, that product would not be in existence were it not commissioned or ordered. You have the peculiar situation where this footnote would give broader rights to someone who has created something which wouldn't have been in existence were he not paid to create it, than the mere employee, who often has the luxury of being able to go off on his own frolic and detour.

I know in our own business we ask people to create very specific things — whether they be articles, stories, books, photographs, illustrations — merely as a supplement to an existing work, or what have you. We will ask these people to do it with the express intention that we will be the authors of that — that we will be the owners of that, not just for the immediate purpose of publication in a book or a magazine, but also for all other purposes. And the basic fact, I think, is one that should not be overlooked, that the work would never come into creation were it not ordered and commissioned.

Now this ties in, to an extent, with the rather interesting language in subsection (d). This is because, if you were to

accept the fact that someone who has performed work on special order or commission is the author and the owner, then the person who has commissioned it must be presumed to have acquired the right to publish it only in a given collective work, be it an encyclopedia or a magazine.

I'd also like to take exception to the word "exclusive" in the third from the last line, where we say, "The owner of the copyright, . . . in the absence of an express transfer of the copyright or of any exclusive rights under it. . . ." Now, it is possible that the publisher of a collective work will have broader or further rights without having exclusive rights. I think that, of course, would be negated if the person doing the work on commission or on special order were deemed for copyright purposes not to be the author, but rather the employer were deemed to be the author.

One other general point on that, if I may. Insofar as I've seen it, the whole term of "employee for hire" has thrown our comptrollers and accountants throughout the whole publishing industry into a tizzy. Where you get an outside entity and you ask them to create a work for hire, and it's the express intention of all the parties that that work product be the exclusive product of the commissioner or the orderer, their comptrollers and accountants start going into a real tailspin the minute they start seeing the word "employee," because this means social security, withholding, and all the other attendant mechanical housekeeping tasks. So perhaps we should not use the word "employer" at all, but rather "hirer."

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Copyright Law Revision, Part 3

[418] 6. *Section 7.*

I am strongly opposed to the whole concept of Section 7. All of us have heretofore secured copies of one, two or three pages, or, on occasion, perhaps an entire case as reported by West Publishing Co., without being charged with infringement. There can be no real control over such partial single copies when made by libraries, particularly since most of us are in a position to make such copies for our own use, either in our own offices or through the facilities of commercial photocopiers. The copying of an entire article, or an entire work falls into a different category.

If it were possible to limit the right to make copies to libraries of the traditional sort containing large collections of books in the traditional form, which libraries were not maintained by any profit-making institution; and if the right to make the copy were limited to works 10 years or more old, the publisher of which had gone out of business and the author of which could not be found after diligent search, there would probably be little harm. We must, however, deal with kinds of libraries as yet uninvented and a situation when a manuscript will be fed into a computer and ordered as needed: when, in fact, there will be no publishing industry as we now know it. Little need be said about the duplication of sound recordings: it is now so simple that an authorized library supplier could materially damage the phonograph record industry. It was not particularly brought out at the Panel Meeting, but it is clear that under the proposed Section 7, I could organize a phonograph record library, acquire one copy of every new recording and then offer to sell these to the public for 15 cents instead of 98 (the pressing cost is

now 9 to 10 cents, and I would have to pay no royalties, no distributors, etc.). A reasonable investigation would show many instances in which a particular recording is not available in a given city on a given day or even during a given week, and, in any case, the public cost of the recording would be 98 cents, which might be construed as excessive.

The main reason for the section appears to be facilitating exchange of scientific data, which we are told today involves an expenditure of some $5,000,000.00 a year. Expenditure on such scale, towards a total research expenditure of some $14,000,000,000.00 a year, does not make much of an equitable case for royalty-free copies. Yet everyone recognizes the need for rapid exchange of scientific information.

It would seem to me that this is a transitional problem. Once computer libraries come into existence, as they inevitably will, these libraries can themselves pay for every copy of a work transmitted. It is the assimilation of existing material and material produced during the transitional period that will cause difficulties. I would suggest that, with respect to such material, the libraries receiving [419] the request be required to transmit it to the publisher. If the publisher is unavailable or is unable to furnish a copy, perhaps the library might be given permission to make a copy upon condition that it remit to the publisher the retail price of the book. In other words, the cost of the library copy would be the retail price of the book plus the duplicating cost. In the case of articles, there ought to be remitted to the magazine publisher the price of the entire issue of the magazine.

I do not know whether this suggestion would be acceptable to the authors or publishers. It would not meet the well taken point that the continued existence of first edition copies would inhibit the issuance of further editions. It does meet the primary point that libraries should not be in a position to furnish copies at a price competitive with the publisher. The key to the proposal, however, is that the library ought to be under an obligation to contact the publisher or the manufacturer of the record and to offer to pay the price which the publisher or manufacturer charges for individual copies. Any right to make a copy of a whole work or article should not vest until, at the earliest, the publisher has notified the library that it is unable to furnish a copy. Under such a scheme the work can be made rapidly available if the person interested in acquiring it is willing to have the inquiry made by telegram.

As to partial copies, I think the law might be left as it is. The copying of a page, or two or three of a longer work is not, in my opinion, an infringement at present. Beyond that, the library proceeds at its own risk.

Sincerely yours,

GEORGE SHIFFER

GEORGE SHIFFER

April 16, 1963

The following are my comments concerning Draft Section 13. As I indicated at the Panel meeting, I consider it

essential to treat equally the users and suppliers of all reception equipment used to receive ordinary commercial broadcasts. The problem being complex, I have taken the liberty of describing the context at some length. Should you deem additional information on any point useful, I shall do my best to supply it.

1. *Background.*

In order properly to understand the complexity of the problem and the unjustifiable discrimination which would occur if community antenna subscribers and other private users of particular reception equipment were required to pay copyright royalties while other members of the public receiving ordinary commercial television broad- . . . .

* * * *

1964 REVISION BILL WITH DISCUSSIONS AND COMMENTS, 89TH CONG., 1ST SESS., COPYRIGHT LAW REVISION, PART 5 (H. JUDICIARY COMM. PRINT 1965), pp. 1, 9, 139, 141-142, 148-149, 152-153

HOUSE COMMITTEE PRINT

89th Congress
1st Session

COPYRIGHT LAW REVISION
Part 5

1964 REVISION BILL
WITH
DISCUSSIONS AND COMMENTS

SEPTEMBER 2, 1965.

Printed for the use of the House Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE

* * *

WASHINGTON : 1965

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[1] 1964 REVISION BILL

Three identical versions of the 1964 bill were introduced during the second session of the 88th Congress: S. 3008 (Mr. McClellan) and H.R. 11947 (Mr. Celler) on July 20; and H.R. 12354 (Mr. St. Onge) on August 12. The text of the bill is as follows:

Copyright Law Revision, Part 5

A BILL

For the general revision of the Copyright Law, title 17 of the United States Code, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 17 of the United States Code, entitled "Copyrights," is hereby amended in its entirety to read as follows:

TITLE 17 — COPYRIGHTS

Sec.

1. Subject matter of copyright: in general.

2. Subject matter of copyright: compilations and derivative works.

3. Subject matter of copyright: national origin.

4. Subject matter of copyright: United States Government works.

5. Exclusive rights in copyrighted works.

6. Limitations on exclusive rights: fair use.

7. Limitations on exclusive rights: effect of transfer of particular copy or phonorecord.

8. Limitations on exclusive rights: exemption of certain performances and exhibitions.

9. Scope of exclusive rights in pictorial, graphic, and sculptural works.

10. Scope of exclusive rights in sound recordings.

11. Scope of exclusive rights in nondramatic musical works: compulsory license for making and distributing phonorecords.

12. Scope of exclusive rights in nondramatic musical works: performance by means of coin-operated machine.

13. Limitations on exclusive rights: public communication of broadcasts.

14. Ownership of copyright.

15. Ownership of copyright as distinct from ownership of material object.

16. Termination of transfers of copyright ownership.

17. Execution of transfers of copyright ownership.

18. Recordation of transfers and other documents.

19. Pre-emption with respect to other laws.

20. Duration of copyright: works created after July 1, 1967.

* * *

[9] (2) he refuses or fails, promptly after receipt by registered or certified mail of a request by the copyright owner, to make full disclosure of the identity of the person who owns the machine or has power to exercise primary control over it.

§ 13. Limitations on exclusive rights: public communication of broadcasts.

Notwithstanding the provisions of section 5, the following are not infringements of the exclusive right to perform or exhibit a copyrighted work:

(1) communication of a broadcast embodying a performance or exhibition of the work to the private rooms of a public establishment by means of a system of loudspeakers or other devices, unless the person responsible for the communication or the operator of the establishment alters or adds to the content of the material included in the broadcast;

(2) reception of a broadcast embodying a performance or exhibition of the work on a single receiving apparatus of a kind commonly used in private homes, unless a direct admission fee is charged to see or hear the broadcast, or unless the receiving apparatus is coin-operated.

§ 14. Ownership of copyright.

(a) INITIAL OWNERSHIP. — Copyright in a work protected under this title vests initially in the author or

authors of the work. The authors of a joint work are co-owners of copyright in the work.

(b) WORKS MADE FOR HIRE. — In the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author for purposes of this title, and owns all of the rights comprised in the copyright unless the parties have expressly agreed otherwise.

(c) CONTRIBUTIONS TO COLLECTIVE WORKS. — Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work and any revisions of it.

(d) TRANSFER OF OWNERSHIP. —

(1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.

(2) Any of the exclusive rights comprised in the copyright, including any subdivision of the rights specified by section 5, may . . . .

* * *

[139] TRANSCRIPT OF MEETING ON 1964 REVISION BILL

New York, N.Y., August 7, 1964.

Present:

Abraham L. Kaminstein, chairman.
Mrs. Harriet S. Adams, Stratemeyer Syndicate.
Eugene N. Aleinikoff, National Educational Television and Radio Center.
Douglas A. Anello, National Association of Broadcasters.
Diana J. Auger.
J.S. Barnes, John Wiley & Sons, Inc.
J.G. Billo, Matthew Bender & Co., Inc.
Arpad Bogsch, United International Bureaux for the Protection of Intellectual Property, Geneva, Switzerland.
Mrs. Bourne, Bourne & Co.
Leon S. Brachman, United Artists.
Mauck Brammer, American Book Company.
Thomas C. Brennan, U.S. Senate Judiciary Committee.
John A. Bresnahan, Printing Industry of America.
Seymour Bricker.
Emerson Brown, American Textbook Publishers Institute.
Harry Buchman, Stern & Reubens.
Evelyn F. Burkey, Writers Guild of America, East, Inc.
Samuel J. Buzzell.
George D. Cary, Copyright Office.
J. M. Collins, American Society of Composers, Authors and Publishers.

John J. Cooke, McGraw-Hill Book Company.

Frederic S. Cushing, American Textbook Publishers Institute.

Richard B. Davis, Universal Pictures Co., Inc.

Lee C. Deighton, Joint Copyright Committee, Book Publishing Industry.

Walter J. Derenberg, New York University Law School.

Sidney A. Diamond, London Records, Inc.

Jean Dorfman.

Joseph S. Dubin, Universal Pictures Company, Inc.

Michael Dufinecz; Cooper, Dunham, Dearborn & Henninger.

* * *

[141] Michael Masnik, General Electric Co.

James C. McConnon; Paul & Paul.

Ernest S. Meyers, Record Industry Association of America.

Edward A. Miller, National Library of Medicine.

Morton Miller, Kapp Records, Inc.

Bernard Moss, National Arts Trust Fund.

Spencer Olin, Walt Disney Productions.

Harold Orenstein; Orenstein, Arrow & Lourie.

Robert C. Osterberg, Music Publishers Protective Association.

Averill C. Pasarow; Pasarow, Watkin & Ehrmann.

Joseph Paull, The Washington Post.

Sigrid H. Pedersen, Paramount Pictures.

Ralph Peer, II.

E. Gabriel Perle, Time, Inc.

John R. Peterson, Christian Science Church.

John Phillips, Book Manufacturers Institute.

Harriet Pilpel, Greenbaum, Wolff & Ernst.

Dana J. Pratt, Association of American University Presses, Inc.

Lawrence H. Reed, Doubleday & Co., Inc.

Barbara A. Ringer, Copyright Office.

Saul N. Rittenberg, MGM.

Harry N. Rosenfield, Ad Hoc Committee on Copyright Revision.

Gertrude Rosenstein, Paramount Pictures.

Stanley Rothenberg; Margulies, Heit & Rothenberg.

Edward A. Sargoy, American Bar Association.

Libby Schaeffer; Schaeffer & Schaeffer.

Morton Schaeffer; Schaeffer & Schaeffer.

Edith Schaffer, ABC-Paramount Records, Inc.

George Schiffer, National Community Television Association.

Adolph Schimel, Universal Pictures.

Sidney Schreiber, Motion Picture Association of America.

John Schulman, Consultant on Copyright to Christian Science Church.

S.Q. Shannon, The Greeting Card Association.

Jacob Shearer.

Paul J. Sherman, General Artists Corp.

D. Bruce Shine, Broadcast Music, Inc.

E. Stratford Smith, National Community Television Association.

Sigmund Steinberg; Steinberg, Richman, Price & Steinbrook.

Miriam Stern, American Guild of Authors and Composers.

O.R. Strackbein, International Allied Printing Trades Association.

Stuart F. Suchman, NET.

Samuel W. Tannanbaum; Johnson & Tannenbaum.

Emmett E. Tucker, Jr.; Hanson, Cobb, O'Brien & Tucker.

[142] Franklin Waldheim, Walt Disney Productions.

Alfred H. Wasserstrom.

I. Watson, Stratemeyer Syndicate.

Philip B. Wattenberg, Music Publishers Association.

Harold Wigren, National Education Association.

Harvey J. Winter, Department of State.

Theodora Zavin, Broadcast Music, Inc.

Leonard Zissu; Zissu, Marcus & Stein.

* * *

KAMINSTEIN. A former member of our staff has just flown in from Geneva, and I'd like to give the Deputy Director of B.I.R.P.I., the organization that administers the Berne Union, an opportunity to talk to the Panel. Arpad Bogsch. [Applause.]

BOGSCH. It is, as you can very well imagine, a very great pleasure for me to attend this meeting which, after a decade of arduous preparatory work, now has before it the first complete embodiment of the results of your discussions. The Register of Copyrights was so good as to invite the International Secretariat of the Berne Union to attend, and I am here today as a representative of the Geneva Bureau.

Looking upon your work — that of the Government and that of the members of the Panel — from the international viewpoint, it would be difficult to exaggerate its importance. To put it mildly, the whole copyright world is watching you, your work, with great hopes and expectations. After all, the United States leads today in every field of activity connected with copyright. Its authors' societies collect more royalties than those of any other country. Its book and periodical industry, its motion picture and phonograph record industry, its radio and television networks are the largest in the world. Because of its leading position in new inventions, the new technical devices for copying and transmitting are first tried out here and the legal implications are first tested here. Consequently, your work will have a great impact on the development of the copyright law all over the world. The world looks to you for inspiration to find equitable and practical solutions.

The first reactions to the bill abroad are highly complimentary. The relaxation of formalities and the life-plus-fifty year term are considered as the most important provisions, and also as an expression of willingness to collaborate with the rest of the countries. They will bring the United States into the mainstream of international cooperation, and in this shrinking world, in this world where, both intellectually and commercially, international ties become more and more important, these features of the bill will greatly serve United States interests.

May I add that, if the bill is passed in time before the Stockholm Revision of the Berne Convention, which is scheduled for 1967, this . . . .

* * *

[148] advance against royalties or account of royalties, and for the payment of royalties. That contract can be signed before the book is written, or after it is written, or while it is being written.

Under the definition that you have placed in the act, it is perfectly possible for the same author writing a book — a novel, a history, a textbook, or any other type of work — for the same consideration or the same compensation, and with the same degree of independence in the creativity of his work, to be considered as having written it "on special order or commission" if the contract was signed before the work was written. The same contract signed after the work was written would not be considered to make it a work "on special order or commission."

Many independent creative works are written by authors who say to a publisher, "I am about to write a novel. Would you like to publish it?" Or a publisher may say, "I'd like to publish your next novel. Will you publish with me?" And the author signs a contract before the work is written. That is not a work "on special order or commission" in any logical sense of the word as it relates to reversion or the duration of copyright.

The work is the independent creation of the author whether the publisher says "Why don't you write a novel about the Viet Nam conflict?" or "Why don't you write a history?" or "Why don't you write a textbook about science?" Whether he says it to the author and offers him a contract before the work is written or after the work is written, the author's rights should be protected, both as to the term of

copyright and as to duration. And this definition, which you have put into the act, would convert many independent creative works into "works made for hire," because authors cannot resist the pressure of a publisher who says, "I want you to sign that clause." They don't resist the pressure of the publisher today when he says, "I want you to give me the copyright for the original term and for the renewal term." The tie-in assignment of a renewal copyright is the way in which the renewal clause of the Copyright Act, which was written by Congress to protect authors against this very economic pressure, has been defeated.

WASSERSTROM. I would like to address myself to subsection (c) of section 14. I would like to point out that I take the law to be that if a transfer is made, absent limitations, there is a transfer of all rights, and it seems to me highly undesirable to single out publishers of collective works and to treat them differently. Now there may be occasions when the author should be considered the darling of the law, as he is in many of these provisions, but in this particular context it seems to me undesirable to treat the relationship between the author on the one hand and the publisher of a collective work on the other as facing each other in a different context.

[149] I think that you have done that by providing here a deviation from what I take to be the law today. You do that by providing that, in the absence of an express transfer, there are very limited rights granted to the publisher of a collective work — the publisher of a magazine or a periodical. I think it is undesirable to require an express transfer, not only because it runs counter to existing law, but because it runs

counter to settled practice in the magazine and periodical publishing field. Therefore I would suggest that the requirement that there be an express transfer be omitted from subsection (c) of section 14.

The other point that I would like to address myself to is just a relatively minor one. If this second sentence of section 14(c) is to remain, it seems to me that there should be some clarification as to what is meant by the phrase "and any revisions of it" in connection with the reproducing and distributing of a contribution as a part of a particular collective work. Treating it in the terms of this sentence, I'm not at all sure that the draftsmen intended to limit, in the absence of an express transfer, the publication on the part of the publisher to a particular issue of a particular periodical, thereby eliminating the relatively simple and generally accepted right of republication in the same periodical.

LINDEN. So that Mr. Rosenfield would understand why I speak on behalf of encyclopedias and reference works as well as textbook publishers, I'd like to explain the name "American Textbook Publishers Institute." The American Textbook Publishers Institute encompasses the publishers of encyclopedias, reference works, scholastic magazines, maps, charts, graphs, and so forth. As a matter of fact, in dollars-and-cents volume they represent eighty percent of the entire reference and technical field — in dollars, eight hundred million out of a billion last year. And, Mr. Rosenfield, the offer of a meeting still stands.

With respect to Irwin Karp's comments on employment for hire (both the definition and section 14(b)) the

encyclopedias, the reference works, the maps, the technical works — which operate and function and are created as composite works where the publisher participates creatively and orders and commissions segments, all of which are collated into the final work — are works made almost exclusively on special order or commission.

No publisher that I know of has a staff, for instance, of seven thousand top specialists in various fields of science, industry, philosophy, literature, and so forth, able to compile a first rate encyclopedia such as the kinds that are on the market today in the United States. No map publisher that I know of has a staff of top cartographers, artists, and art consultants to utilize in the making of the kinds of maps and varieties of maps that are available to the public for educational and all other purposes in the United States today.

* * *

[150] To talk about employment for hire while excluding therefrom the concepts of special order or commission creates an illusory employment-for-hire situation, and would result in negotiations for reversion with respect to anywhere from five to seven to eight to ten thousand individual contributors to the kinds of composite works and collective works to which I made reference. I submit that it would not be feasible for those works to be published under the kind of system of reversion which, under what Irwin Karp advocates, would include special order or commission.

May I point out further that the definition, which includes special order or commission if the parties so agree, does not

preclude — and I believe is intended to include — the evidentiary facts that the work was actually made on special order or commission of the publisher and that it is not a subterfuge. These words are being used in the statute, I believe, as words of art, and not as absolute terms for purposes of the definition.

* * *

[151] * * *

SCHIFFER: I would just like to comment briefly on the "joint work" provision. Coupled with the definition it would appear that the inten-[152]-tion is to preserve the existing law. The existing law is in a substantial state of confusion, having many unsettled questions.

One series of problems involves the situation of determining the intention and the right to treat separate contributions as a "joint work." In that respect, I wonder whether the definition, by simply stating that this is left to the intention of the authors, is sufficient protection for the authors in light of the cases indicating that such an intention may be spelled out from contracts that they separately make with a publisher.

The other problem is one in which I believe our bill should follow the recent foreign enactments, which rather carefully spell out the relationship between the co-owners and their respective rights against each other. Our law is not sufficiently clear to leave this simply in the phrase "co-owners." We should have a statutory provision with respect to obligations of cross-accounting and matters of that kind.

KAMINSTEIN. Well, as you know, there was considerable dispute about which way that sort of provision should be written.

PILPEL. There is obviously no provision of this proposed act of more importance to magazine writers and magazine photographers than section 14. Generally speaking, I think the Copyright Office has done an excellent job in setting forth what the law should be and, at the risk of disagreeing with Mr. Wasserstrom, also of what I think the law is. Mr. Wasserstrom referred to the law and settled practice today in terms of the ownership of all rights in a contribution to a collective work being acquired by the owner of the collective work. I will subsequently discuss the basis for that statement. In any event, this provision, which would continue the ownership of separate contributions to a joint work in the hands of each separate contributor, seems to me to reflect not only existing law but also the existing practice of all of the organized groups in the magazine industry and the newspaper industry.

I have but one question with reference to the wording, and that is with respect to the wording at the end of subsection (c): ". . . and any revisions of it." If that means "any revisions of the collective work" in terms of changing the contributions, or their order, or including different contributions, obviously the magazine writers and photographers would not object. But there is an implication, or at least an ambiguity, that somehow the owner of the collective work has a right to make revisions in the contributions to the collective work. This is not and should not be the law, and consequently I suggest that the wording at the end of subsection (c) be changed or eliminated to make that absolutely clear.

As far as collective works are concerned, it seems to me that Mr. Karp is quite right in the statements which he made on behalf of authors. In particular, I should like to point out that, where lump sums [153] are paid, there is a tendency to regard the transaction as an employment for hire although it may not be. It is in that situation particularly that greater definition and clarification are called for, and it is in that situation particularly that reversion is called for, because there is no continuing payment.

KAYE. Section 18 applies the penalties for failure to record, I think, to an impracticably broad spectrum of conveyances. Under the definition there would have to be a recordation of a transfer of any exclusive right, whether or not limited in time or place of effect. All of the motion picture contracts which give a week's exclusivity, all of the assignments of performing rights — these hundreds and hundreds of thousands of conveyances — would suffer a penalty if not recorded. It is not practicable to record them, and I would suggest that consideration be made to reducing the onerousness of the provision.

KAMINSTEIN. I turn now to one of the key provisions in the law, the section on reversion, and call on Mr. Goldman to introduce it.

GOLDMAN. Section 16 is the section dealing with reversion. There have been some controversies about it, and not everybody is in accord on it. It is based to a large extent on proposals that were discussed from time to time in the past, and is an attempt to write out a formula which is pretty close to what had been discussed as a possible solution in the past. I think it's worth trying to explain how we intended this to operate,

because there have been two or three questions raised as to the meaning of some of the provisions of section 16.

I call to your attention first that, in the opening clause, "works made for hire" are excluded from the operation of the reversion provision. I also call to your attention that, under the opening clause, reversion is available only with respect to a transfer made by the author after January 1, 1967. In short, this would have no effect on contracts existing before the new law becomes effective; it would relate only to transfers made thereafter by the author.

Now the way this was intended to operate is this: the author if he is alive — or if the author is not alive, then the author's legatees or heirs or personal representatives as the case may be — would have the privilege of serving notice on the transferee, at any time during the 35 years from the time the transfer was executed, that he wanted to cancel that transfer. The termination, however, could not be made effective until at least 35 years had expired from the date of the transfer and until at least two years had expired from the time that the notice was served. The notice could be served at any time, but the transfer could not be effective until at least two years after the notice was served and until at least 35 years after the transfer had been executed.

The author if living, or his successor if the author is not living, could not transfer those same rights to anyone other than the holder of . . . .

* * * *

SUPPLEMENTARY REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW: 1965 REVISION BILL, 89TH CONG., 1ST SESS., COPYRIGHT LAW REVISION, PART 6 (H. JUDICIARY COMM. PRINT 1965), pp. xiv-xvi, 18, 68-69

HOUSE COMMITTEE PRINT

89th Congress
1st Session

COPYRIGHT LAW REVISION
Part 6

SUPPLEMENTARY REPORT OF THE
REGISTER OF COPYRIGHTS ON THE
GENERAL REVISION OF THE
U.S. COPYRIGHT LAW:

1965 REVISION BILL

MAY 1965

Printed for the use of the House Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE

* * *

WASHINGTON : 1965

* * *

PREFACE

[xiv] . . . opened his remarks by recalling President Kennedy's memorable address at Amherst College the month before his death, in which he said:

> I look forward to an America which will reward achievement in the arts as we reward achievement in business or statecraft.
>
> I look forward to an America which will steadily raise the standards of artistic accomplishment and which will steadily enlarge cultural opportunities for all of our citizens.
>
> And I look forward to an America which commands respect throughout the world not only for its strength but for its civilization as well.

President Johnson pointed to the Kennedy Center as symbolizing "our belief that the world of creation and thought are at the core of our civilization":

> Only recently in the White House, we helped commemorate the 400th anniversary of Shakespeare. The political conflicts and ambitions of his England are known to the scholar and the specialist. But his plays will forever move men in every corner of the world. The leaders that he wrote about live far more vividly in his words than in the almost forgotten facts of their own rule.

> Our civilization, too, will survive largely in the works of our creation. There is a quality in art which speaks across the gulf dividing man from man, nation from nation and century from century.
> * * *
>
> [I]t is important to know that the opportunity we give to the arts is a measure of the quality of our civilization. It is important to be aware that artistic activity can enrich the life of our people; which is the central object of government. It is important that our material prosperity liberate and not confine the creative spirit.

This unreserved recognition by the heads of our Government of the importance of creative endeavor in our national life is one of the most striking and encouraging of the trends that have emerged since 1961. At the same time it would be delusive to assume that there has been any general realization on the part of Government officials or the public that copyright is no less than the life's blood of this endeavor. Too many people still think of copyright law as the esoteric sporting ground of an "elite cadre," and regard its impact as confined to a handful of unimportant industries and special interests. They have not yet seen that the interrelation between copyright and the communications revolution is fully as important to our age as the interrelation between copyright and the revolution brought on by the printing press was to an earlier one. Somehow people must be made to realize that the copyright statute of a country not only shapes its cultural and intellectual development, but actually penetrates into the lives and thinking of every citizen.

Copyright Law Revision, Part 6

Speaking of automation someone observed recently that "invention is the mother of necessity": and in the copyright field this necessity is reaching crisis proportions. In recent years we have seen, among a multitude of technological developments, the introduction of com-[xv]munications satellites, the tremendous growth in information storage and retrieval devices, changing patterns in broadcasting including the emergence of educational television and community antenna systems, radical changes in teaching methods by the use of new audiovisual devices, the proliferation of copying machines, and remarkable developments in the use of video tape. Not only is the 1909 statute dismally inadequate to deal with what is happening; we now find that even our 1961 recommendations were not flexible and forward-looking enough.

I realize, more clearly now than I did in 1961, that the revolution in communications has brought with it a serious challenge to the author's copyright. This challenge comes not only from the evergrowing commercial interests who wish to use the author's works for private gain. An equally serious attack has come from people with a sincere interest in the public welfare who fully recognize (in the words of Sir Arthur Bliss) "that the real heart of civilization, the letters, the music, the arts, the drama, the educational material, owes its existence to the author"; ironically, in seeking to make the author's works widely available by freeing them from copyright restrictions, they fail to realize that they are whittling away the very thing that nurtures authorship in the first place. An accommodation among conflicting demands must be worked out, true enough, but not by denying the fundamental constitutional directive: to encourage cultural

progress by securing the author's exclusive rights to him for a limited time.

Since 1961 I have also acquired a deeper understanding of the importance of American copyright law revision throughout the world. The days when the United States could play a lone hand in international copyright have been over for quite a while, but it is not enough for us merely to seek and extend as much international cooperation as possible.

It is startling to realize, in an era when copyrighted materials are being disseminated instantaneously throughout the globe, that the United States has copyright relations with less than half of the world's nations. The injustice of this situation to authors here and abroad is obvious, but equally serious to our national interest is the lack of the cultural bridge between countries that copyright furnishes. And, even where copyright relations exist, the lack of uniformity in the scope and standards of protection results in unfairness and endless confusion.

The United States can, if it will, offer leadership in the effort to evolve a truly universal copyright system that takes account of national interests while at the same time offering effective uniformity and a fair reward to all authors. Many of the newly-independent [xvi] nations are at a turning point in the development of their own copyright systems, and suggestions have been made for bridging the gap between the Berne and Universal Copyright Conventions. Copyright law revision is the first necessary step we can take in meeting this tremendous challenge.

Copyright Law Revision, Part 6

ABRAHAM L. KAMINSTEIN,
Register of Copyrights,
Copyright Office, The Library of Congress.

* * *

[18] . . . tion, or any other form in which a work may be recast, transformed, or adapted." Hence, in order to violate clause (2), some copyrighted portion of the work must actually have been appropriated as a basis for the infringing work. It would normally not be infringement, for example, for a critic to write a detailed commentary on the work or for an artist to draw illustrations inspired by a textual description.

Close questions can arise as to whether the preparation of material such as indexes, tests, answers to tests, study guides, work sheets, etc., constitutes an infringement of the work to which they are related. In some cases the dependence on the copyrighted source may be so great as to constitute infringement, and in others the only things taken may be uncopyrightable elements such as ideas or isolated facts. We believe that the definition of "derivative work" is broad enough to cover those works that appropriately come within the concept, and that the application of the definition in borderline situations of this sort must be left to the courts.

d. Use in Information Storage and Retrieval Systems

An important question that has emerged since publication of the *Report* in 1961 involves computer uses of copyrighted materials. Mainly in an effort to stimulate a

discussion of the issue, the preliminary draft of 1963 contained a provision granting an exclusive right "to reproduce [the work] in any form in the programming or operation of an information storage and retrieval system." We became convinced, however, that it would be a mistake for the statute, in trying to deal with such a new and evolving field as that of computer technology, to include an explicit provision that could later turn out to be too broad or too narrow. A much better approach, we feel, is to state the general concepts of copyright in language, such as that in section 106(a), which would be general in terms and broad enough to allow for adjustment to future changes in patterns of reproduction and other uses of authors' works.

At the same time, we should emphasize here that, unless the doctrine of "fair use" is applicable in a particular case, the bill contemplates that certain computer uses would come within the copyright owner's exclusive rights. It seems clear, for example, that the actual copying of entire works (or substantial portions of them) for "input" or storage in a computer would constitute a "reproduction" under clause (1), whatever form the "copies" take: punchcards, punched or magnetic tape, electronic storage units, etc. Similarly, at the "output" end of the process, the "retrieval" or "print-out" of an entire work (or a substantial part of it) in tangible copies would also come under copyright control.

* * *

[68] . . . made on special order or commission would not come within the definition.

Section 201(b) also provides that, "unless the parties have expressly agreed otherwise," the "employer or other person for whom the work was prepared * * * owns all of the rights comprised in the copyright." This would mean that the employer and employee could agree to any disposition between them of the exclusive rights under the copyright, but it would not allow them to change the status of a "work made for hire" under the statute. It was argued that there are some cases where a work must be written for hire (for example, because of collective bargaining agreements), but where the parties should be able by agreement to avoid some of the legal consequences of that status, particularly with respect to the length of the copyright term. There is no question that the parties to an employment contract should be able to agree as to the ownership of rights between themselves. However, if the work is in fact "prepared by an employee within the scope of his employment," we believe that its status as to third persons should be fixed under the statute and should not depend upon a private agreement between the employer and employee.

3. CONTRIBUTIONS TO COLLECTIVE WORKS

The first sentence of section 201(c) of the bill provides: "Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution." This is intended to establish the significant principle that the copyright in a contribution and the copyright in the collective

work in which it appears are two different things, and that the usual rule with respect to initial ownership applies to the contribution.

The term "collective work" is defined in section 101 as "a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." As stated in the definition of "compilation" in the same section, a "collective work" is one kind of compilation, but it is a special kind. A "collective work," like any "compilation," must include "a number of contributions," thus ruling out, for example, the words and music of a song, a novel published with a preface, or a musical composition published with a picture on the cover. The contributions must constitute "separate and independent works in themselves," thus excluding, for example, lists of data or a work published with editorial revisions. Finally, the contributions must be assembled into a "collective" as distinguished from a "unitary" whole, thus leaving integrated works such [69] as the usual motion picture, sound recording, or dramatico-musical work outside the definition.

Under the present law, the owner of the copyright in a collective work as a whole is also the owner of copyright in the elements of compilation and editing, in any contributions that were made for hire by his employees, and in any contributions in which all of the author's rights have been transferred to him. The bill would leave this situation undisturbed but, as recommended in the 1961 *Report*, would clarify and simplify the extremely confused and

unsatisfactory situation now existing with respect to individual contributions that were not made for hire.

In conjunction with the notice provisions of section 403, the second sentence of section 201(c) would preserve the author's copyright in his contribution without requiring a separate notice in his name or an unqualified transfer of all his rights to the publisher. It would also establish a presumption that, in the absence of an express transfer, the author retains all rights except "the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." Under this presumption, for example, an encyclopedia publisher would be entitled to reprint an article in a revised edition of his encyclopedia, and a magazine publisher would be entitled to reprint a story in a later issue of the same periodical. However, the privileges under the presumption are not intended to permit revisions in the contribution itself or to allow inclusion of the contribution in anthologies or other entirely different collective works.

4. TRANSFER OF OWNERSHIP

a. In General

The first clause of section 201(d) states the fundamental rule that ownership of all or any part of a copyright is fully transferable from one owner to another by any form of assignment or conveyance or by operation of law, and that, upon the death of an owner, the rights he owned under a copyright are fully transmissible to his legatees or heirs.

The statement of this principle is supplemented by the definition of "a transfer of copyright ownership" in section 101: "* * * an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a non-exclusive license." This definition is intended, among other things, to dispel any doubts as to whether mortgages or other hypothecations, discharges or mortgages, and exclusive licenses come within the meaning of a "transfer of copyright ownership."

* * * *

COPYRIGHT LAW REVISION: HEARINGS BEFORE THE SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS OF THE SENATE COMM. ON THE JUDICIARY, 89TH CONG., 1ST SESS. (1965), p. 66

COPYRIGHT LAW REVISION

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
PATENTS, TRADEMARKS, AND COPYRIGHTS
OF THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
EIGHTY-NINTH CONGRESS
FIRST SESSION
PURSUANT TO S. RES. 48
ON
S. 1006

AUGUST 18, 19, AND 20, 1965

Printed for the use of the Committee on the Judiciary

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* * *

WASHINGTON : 1967

* * *

Hearings on S. 1006

[66] DEVELOPMENT OF THE BILL

In the hearings on this bill held before Subcommittee No. 3 of the House Judiciary Committee earlier this year a question was raised as to why, in view of the fast-evolving communications technology, there have not been more frequent revisions of the copyright law. If there is a single answer to this question, I believe it is that there are so many interrelated creator-user interests in the copyright field, and they present such sharp conflicts on individual issues, that the consensus necessary for any general revision is extremely difficult to achieve. Examples of this difficulty are found throughout the concentrated efforts to revise the 1909 act which went on continuously between 1924 and 1940 and which all ended in failure and futility. Realizing fully what copyright law revision is up against, Arthur Fisher, my predecessor as Register of Copyrights, planned a program that would be based on a thorough knowledge of all the issues and a painstaking effort to resolve as many disputes as possible before a bill reached the stage of congressional hearings. It took us 10 years, but the program he planned has been carried out to the best of our ability.

The revision program started with the preparation and publication of 35 studies of the principal issues in revision, 34 of them printed by this committee. These were followed by the Register's Report on General Revision of 1961, which analyzed these issues and made detailed recommendations concerning them. Then followed a series of 19 panel meetings, numerous consultations, and a large volume of correspondence, with specialists and interested parties, during which a draft bill gradually emerged. In 1964,

a revision bill was introduced in the 88th Congress for the purpose of comment and discussion, and following further revisions the present bill was introduced in February 1965. In May of this year the Copyright Office issued the Register's Supplementary Report on General Revision, which explains in some detail the development, meaning, and thinking behind individual provisions of the bill. The report, the supplementary report, transcripts of the meetings, and comments have been printed by the House Committee on the Judiciary.

The bill as it has emerged is the product of intensive and extensive critical scrutiny over a considerable period of time. On the whole I believe it is technically sound and that, although improvements can still be made in language and structure, in general it is as clear and concise as the inherently complex subject matter permits. On matters of substance I regard the bill as a genuine improvement over the present law, and one of its strengths is that it is neither an "author's bill" nor a "users' bill." A number of its provisions represent carefully worked-out compromises which; while not especially welcome to either side on a particular issue, have proved a satisfactory way of balancing the interests. As a result, the bill has received gratifyingly widespread and strong support.

I hasten to add, of course, that not all differences have been resolved. Several serious and important issues remain unsettled, and they are certain to be hotly debated as these hearings proceed. But in listening and evaluating the arguments on both sides I urge you to keep two vitally important points in mind:

* * * *

COPYRIGHT LAW REVISION: HEARINGS ON H.R. 4347, 5680, 6831, 6835 BEFORE SUBCOMM. NO. 3 OF THE HOUSE COMM. ON THE JUDICIARY, 89TH CONG., 1ST SESS. (1965), pp. iii, 29, 57, 66, 68, 1144, 1146-1147, 1426-1427, 1917

COPYRIGHT LAW REVISION

HEARINGS
BEFORE
SUBCOMMITTEE NO. 3
OF THE
COMMITTEE ON THE JUDICIARY
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS

FIRST SESSION
ON
H.R. 4347, H.R. 5680, H.R. 6831, H.R. 6835

BILLS FOR THE GENERAL REVISION OF THE COPYRIGHT LAW, TITLE 17 OF THE UNITED STATES CODE, AND FOR OTHER PURPOSES

MAY 26, 27, 28, JUNE 2, 3, 4, 9, 10, 16, 17, 2???, 24, 30, AUGUST 4, 5, 11, 12, 18, 19, 26, SEPTEMBER 1 AND 2, 1965

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PART 1

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Hearings on H.R. 4347

WASHINGTON : 1966

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PART 1

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WEDNESDAY, MAY 26, 1965

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Statements by —

* * *

George D. Cary, Deputy Register of Copyrights, accompanied by Abe A. Goldman, General Counsel, Copyright Office, and Barbara Ringer, Assistant Register of Copyrights for Examining 29-60

* * *

Lee Deighton, chairman of the board, Macmillan Co., on behalf of the American Textbook Publishers Institute 66-79

* * *

[29] . . . pieces of legislation to come before the Congress this year. I believe this to be true, and for this reason I urge your favorable consideration of H.R. 4347.

Thank you, Mr. Chairman and members of the committee.

Mr. KASTENMEIER. Thank you, Mr. Mumford, for a splendid statement. I hope that the spirit of your statement — that is, reflecting the hope that we may be able to harmonize differences of opinion with respect to what is already in the bill — can be brought to fruition.

I might comment that the committee, dealing with certain aspects of the bill in former years, has not been able to reconcile even those aspects. We are asked to reconcile or to approve a whole package of ideas affecting copyrights. I hope to this end we will be successful. In any event I appreciate your statement.

Mr. MUMFORD. Thank you, Mr. Chairman.

Mr. KASTENMEIER. Are there any questions?

Thank you very much.

Mr. MUMFORD. Thank you, Mr. Chairman.

Mr. KASTENMEIER. The next witness will be the Deputy Register of Copyrights, who will be accompanied by his General Counsel, Mr. Abe Goldman, and Barbara Ringer, the Assistant Register of Copyrights for Examining.

I am referring to George D. Cary, the Deputy Register of Copyrights. Mr. Cary.

STATEMENT OF GEORGE D. CARY, DEPUTY REGISTER OF COPYRIGHTS; ACCOMPANIED BY ABE A. GOLDMAN, GENERAL COUNSEL, COPYRIGHT OFFICE; AND BARBARA RINGER, ASSISTANT REGISTER OF COPYRIGHTS FOR EXAMINING

Mr. CARY. My name is George D. Cary. I am the Deputy Register of Copyrights. I appear here, as has been indicated, solely because the Register is recuperating from an illness. I assure you that no one is more desirous of his quick recuperation than I.

I would like to introduce to you my two associates, Mr. Goldman, our General Counsel, and Miss Ringer, our Assistant Register for Examining.

At the conclusion of my remarks I would like for them to give you a brief summary or rundown of what the bill actually provides in its intricacies and they will be available to answer any questions you may have as to the technicalities of the bill.

My function is primarily to give you some of the background necessary to understand the bill. I would like to touch upon some of the new provisions in the bill and finally to point up some of the issues that are going to be controversial, about some which you may have already heard.

I would like to submit a prepared statement for the record. Because of its length I will try to abbreviate it as much as I can.

Mr. KASTENMEIER. Without objection, it may be received and made a part of the record.

(The document referred to follows:)

Remarks of George D. Cary, Register of Copyrights

Mr. Chairman, my name is George D. Cary. I am the Deputy Register of Copyrights and appear here today in the absence of the Register of Copyrights,

* * *

[57] The one thing I think should be mentioned has already been referred to by Mr. Cary: clause (5) would exempt the relay of a broadcast without changing it in any way where no profit motive is involved. But since the exemption is granted only where there is no profit motive, this exemption would not extend to CATV systems. In short, CATV systems, since they are operated for profit, would not be exempt.

Mr. KASTENMEIER. May I stop you at this point and suggest that we might discontinue the detailed discussion of the bill, at least temporarily, and resume it perhaps this afternoon. I think there may be some general questions that we will want to ask of Mr. Cary. Then I would like at least to get to one or two of our other witnesses before the noon break.

Knowing that you are going to be available, I think the more scholarly and instructive portion, the detailed portion of the discussion of the bill, can come somewhat later in the day, and we will have a chance to hear from some of the other people as well.

Mr. TENZER. Mr. Chairman, will Mr. Goldman and Miss Ringer be here throughout the hearings?

Mr. KASTENMEIER. That is my understanding.

Mr. TENZER. Would it not be of great significance and value to the committee if they were here and then following some of the testimony that might be offered to have the views of the division and these witnesses at that time?

Mr. KASTENMEIER. Yes.

Mr. TENZER. These will be long and protracted hearings. We will have missed the significance of the comments at this point.

Mr. KASTENMEIER. We can discuss that at the break. In any event I think this portion of it is somewhat necessary for purposes of the hearing.

I would like to ask a general question or two of Mr. Cary before proceeding. You indicated that we may not have another general revision of copyright law for many years, perhaps 50 or more years. Considering that it was extremely difficult to anticipate the technology of the last 50 years, do you think we should attempt to do this in the future: that is, to anticipate what technology may eventually bring in

printing or in reproduction or in anything else, in broadcasting, in the years ahead? Isn't it virtually an impossible task to anticipate these changes?

Mr. CARY. It would seem to us that is a correct statement. As a matter of fact, that is the basis on which we drafted this bill. For example, you can read the bill from beginning to end and you won't find in it any reference to computers, for example. Yet these are one of the coming instruments of communication in the future. We have tried to phrase the broad rights granted in such a way that they can be adapted as time goes on to each of the new advancing media. This is our hope.

Mr. KASTENMEIER. Does it not seem indicated that what Congress and indeed you may need to do is to have a more frequent revision, perhaps every 20 years rather than every 50 years or 75 years?

Mr. CARY. That would be most desirable but it probably is not possible. Efforts to revise the 1909 law started in 1924 and went on actively for more than 15 years. It has taken nearly 10 years to develop . . . .

* * *

Hearings on H.R. 4347

[66] * * *

STATEMENT OF LEE DEIGHTON, CHAIRMAN OF THE BOARD, MACMILLAN CO., ON BEHALF OF THE AMERICAN TEXTBOOK PUBLISHERS INSTITUTE

Mr. DEIGHTON. Mr. Chairman, I am Lee Deighton, chairman of the board of the Macmillan Co., which was established in this country in 1896. For the past 38 years, I have been engaged in the writing, editing, and selling of instructional materials for the schools and colleges of our country. Today I speak as a representative of the American Textbook Publishers Institute. I offer my prepared statement for the record.

(Mr. Deighton's statement is as follows:)

PREPARED STATEMENT OF THE AMERICAN TEXTBOOK PUBLISHERS INSTITUTE ON H.R. 4347

Mr. Chairman, I am Lee Deighton, chairman of the board of the Macmillan Co., which was established in this country in 1896. For the past 38 years, I have been engaged in the writing, editing, and selling of instructional materials for the schools and colleges of our country. Today I speak as a representative of the American Textbook Publishers Institute.

Permit me first to identify this organization. It is a trade association of 110 members who account for 90 percent of the textbooks, reference books, tests, and maps used by our schools and colleges.

The total sales of these companies in 1964 were $945 million. And of this total, $509 million were sales of textbooks primarily to domestic schools and colleges. No single company in this highly competitive industry had more than 12 percent of the total industry volume in 1964.

* * *

[68] These three areas of cost: editorial, plant, and inventory — are of approximately equal weight. What do they come to in production of a book or a series of books? A single high school textbook will require investment of $50,000 before the first copy is available for sale. A series of elementary school textbooks with many components will require as much as $1 million investment before it is ready for marketing.

Textbook publishing is, in a very real sense, risk enterprise. There is no way to know in advance that a book or a series of books will sell. We can and do test our product in classrooms at various stages of development. But we cannot know the market response to our products until they are published. Schools do not buy on prospect: they buy only with product in hand. Some industries can market-test a mockup of a product. We do not enjoy this luxury. We cannot market-test a product until we have a full inventory in our warehouses.

Textbook publishing is a risk enterprise, and it is an enterprise that requires courage and creativity. What is the net return for this speculation? In 1964, the return after taxes was approximately 8 percent for the entire textbook industry.

I have taken this much of your time with the nature of textbook publishing in order to explain why copyright is so important to us. It is the only protection we have against piracy or copying which would destroy our market and jeopardize our investment. In short, if anyone may copy our work without license, one book would do where a hundred have been used before.

Our country is indeed fortunate that the Congress is so well informed through many of its committees on the technological advances in handling information. You are well aware of photocopying, and the use of microfilm and magnetic tape in storing and retrieving information.

New devices in this field are arriving at a breathless pace. Only a few days ago five new machines were introduced for printing from microfilm at a cost of 2 cents per page. It has become literally cheaper to copy printed materials than to buy an original copy. As a consequence of rapid changes in technology, the cheerfully reassuring Fry Report of 1962 on photocopying is obsolete. There is scarcely an institution of higher learning today that is not equipped with photocopy machines, used to copy the pages of books. For a look at the near future it is necessary to go back no further than April 8, 1963, publication date of a study prepared by the American Library Association for the Rome Air Development Center of the U.S. Air Force. The title of the study is "The Library and Information Networks of the Future." On page 21 we find these words: "Using xerographic printers, report duplicates in hard copy could be prepared locally. Or, with facsimile, it would be possible to scan the basic report in the center and have it reproduced miles away at a remote regional

location. It could also be scanned with video and reviewed on a TV monitor elsewhere. Finally, it could be duplicated on file in its microform and forwarded to the user in that way. In any event, the integrity of the basic file would remain intact, and the electronic information center would become a duplicating rather than a circulating library."

These new developments promise an exciting future in which information handling and communication will be improved not only for schools but for our entire society. Textbook publishers welcome these technological advances. They want their materials used in these new devices. They ask only that these uses be protected by copyright so that they will be paid for, just as the devices are to be paid for.

Few of us today can imagine the technological changes that lie ahead. The advances in information science and technology make revision of the copyright law imperative. The forward reach of technology requires careful evaluation of the proposed law so that we may avoid by inadvertency a defeat of the very purpose of copyright: to provide incentive.

The American Textbook Publishers Institute is a proponent of copyright revision, but with an eye to the future we respectfully urge that portions of the proposed legislation be amended to make it consistent with the purpose of copyright.

Let me turn now to the second part of this statement: the specific sections of the bill which seem likely to have impact upon our industry. Here I cannot speak as a lawyer but only as a practicing publisher. I am aware that the technical

language in a bill such as this is extremely important. I am aware that words in general usage take on specific meaning in the context of a law.

* * *

[1144] Mr. KASTENMEIER. Mr. St. Onge.

Mr. ST. ONGE. I have no questions, Mr. Chairman, but I think Professor Boyd should be complimented on a very articulate presentation of his case.

Dr. BOYD. Thank you.

Mr. KASTENMEIER. Mr. Tenzer.

Mr. TENZER. I share the sentiments of my colleague, Mr. St. Onge. I hope this statement is not copyrighted because there are some very brilliant phrases and paragraphs in it that I would like to use myself.

Dr. BOYD. Thank you, Congressman, it is entirely at the disposal of the committee.

Mr. KASTENMEIER. Mr. Hutchinson.

Mr. HUTCHINSON. I have no questions.

Mr. KASTENMEIER. Thank you very much.

Dr. BOYD. Thank you, Mr. Chairman.

Mr. KASTENMEIER. Our next witness is Mr. John F. Banzhaf III, president, Computer Program Library. You have, I take it, no copies of your statement?

STATEMENT OF JOHN F. BANZHAF III, PRESIDENT, COMPUTER PROGRAM LIBRARY

Mr. BANZHAF. I have one copy. I will be happy to send you additional ones if you like.

Gentlemen, it is both an honor and a privilege to appear before you today to tell you what I can about the effect the proposed copyright law will have on the computer industry; in effect, to take your minds away from the consideration of the past and into problems which will be raised by the future.

Basically I hope to consider with you only two topics. These are copyright protection for computer programs and the use of copyrighted material in information storage and retrieval systems.

Perhaps the best way to begin is to introduce myself. About a year and a half ago, as part of a research project for the Columbia Law Review, I developed and submitted two computer programs to the Copyright Office for registration. After some correspondence they reversed their previous position and for the first time agreed to register copyrights on computer programs.

I thereafter wrote an article for the Columbia Law Review on copyright protection for computer programs and several other articles on legal protection for programs and

copyright aspects of computer usage. In addition I have appeared on or attended several panels dealing with the topic, have discussed it with many interested people and in general have tried to keep abreast of opinions in this area.

Computer Program Library itself is a company very recently organized to serve as a central registry and clearinghouse for all copyrighted programs offered for use to the public. In my capacity as president I have had an opportunity to correspond with many programers and computer users interested in offering their copyrighted programs to others or in using copyrighted programs for a reasonable fee. Responses so far have been very encouraging.

I understand that no one else has requested permission to appear before this subcommittee to present the views and positions of the . . . .

* * *

[1146] Since there appears to be no substantial opposition to extending copyright protection to computer programs I will be quite brief in explaining why I feel it is a giant step forward for the computer industry. In the United States today over a billion and a half dollars are expended annually, directly or indirectly, in the development of computer programs. By the end of 1970 over half a million people are expected to be employed in programing activities having an annual economic value equal to that of all computer manufacturing.

Programing today is certainly big business. But the development of programing has been severely inhibited by the lack of legal protection. The Patent Office has ruled that programs cannot be patented. Thus, without copyright protection, programs cannot be distributed on a wide scale with the hope of financial gain. The result has been waste, needless duplication of programing effort, and many valuable programs which were never written. Programs which were written were often kept secret to take advantage of trade secret protection. Many programs were never written because none of the development costs could be passed along to other users.

With copyright protection, much of this will change for the better. Program writers will be able to develop programs for a wide market rather than waiting for a single large user to request a particular program. Programs previously kept secret may be made available under copyright protection for a small leasing fee. All in all, computer programs will finally be put on the profit system which so far has always served to encourage creativity and the interchange of valuable information. Gentlemen, I wholeheartedly support the bill insofar as it extends copyright protection to computer programs.

In this regard I think I speak also for the computer industry. I can say that I have heard no serious objections to this position and that this is also the position of Mr. Eichelberger who is chairman of the Committee on Copyrighting and Patenting Computer Programs for the Association of Computing Machinery.

My position is quite different, however, with regard to the bill as it applies to computers used in information storage and retrieval systems. Here I must respectfully suggest that the bill as it now appears goes too far. I feel that if the bill is enacted in its present form, electronic information retrieval systems will be unfairly burdened and that users will be prohibited from using copyrighted material in ways which would otherwise be lawful if a computer were not involved.

I think this point is particularly important because there has been so little discussion on the topic. What little discussion has occurred was by representatives of other groups whose interests were usually contrary to those of computer users. Even here the statements were usually prefaced by such remarks as, "Well, I don't feel competent because I don't understand these machines well enough," or "I don't understand this business either." (See pp. 120-121, "Copyright Law Revision," pt. 3, preliminary draft for revised U.S. copyright law and discussion and comments on the draft.) Perhaps then the best way to approach the problem, I think, would be to examine how computers function in this area.

Computers are used in information storage and retrieval systems because of their ability to scan material at an almost unbelievable speed. As they scan this material, they can examine it for key words and [1147] symbols or perform other more complicated operations upon it. The material which they scan can be of several different types. In the simplest cases, they scan lists of titles, or symbols representing them, to match these against the request of the researcher. This activity itself presents no copyright problems because an author has no copyright in the mere title of his work.

The output of the search is a list of titles and their citations. It seems clear that such an activity cannot hurt the author and probably works to his benefit if the readers and researchers are led to his works.

In the second case the computer scans the copyrighted material itself. The work it scans may be recorded in a computer medium such as magnetic tape or, with the use of some newly developed devices, the computer may scan the printed work directly.

Here there are some serious copyright problems. It seems clear that it would be a violation of the author's copyright if the output of the search would be a print-out of a substantial portion of the author's work. It is not clear whether it would be a violation of his copyright to scan the work with the aid of a computer or whether the making of the magnetic tape to facilitate the scanning operation itself constitutes an independent violation.

Another copyright problem results when the computer itself performs some operation on the copyrighted work. In an extreme case a computer could translate the work in another human language or create a complete summary or abstract of it. In other cases it may digest the copyrighted work into a single sentence or set of symbols.

The resulting work may be for the benefit of the computer — in other words, to be scanned by the computer in later searching operations — or it may be for the benefit of human readers and research. Once again the computer may scan the work in the form of magnetic tape or directly from the copyrighted printed work.

I have heard several proposals for dealing with this problem. Reed Lawlor, an attorney very active in this field, has argued and suggested to the committee that an otherwise legitimate use of a copyrighted work should not be stigmatized simply because a computer was used to accomplish the same result.

He has briefly stated his view as follows: I am quoting from a letter to this subcommittee of March 8, 1965:

When the copyright law is revised, the copyright owner should continue to have the right to prevent the use of his copyrighted material in the printed output of the computer beyond the bounds of fair use, but he should not have the right to prevent the feeding of the work into the computer, since normally the output will be a kind which would be fair use if no computer were used.

He has suggested in this regard the following amendment to section 107 of H.R. 4347. It says:

To the extent that copyrighted material is recorded in a computer readable form in an automatic information processing system and is used to generate and disseminate information in a manner which would be considered fair use if the automatic information processing system were not involved, such recording and use should be deemed a fair use.

The Electronic Industries Association has taken a very similar position. This was mentioned in their letter to the subcommittee dated May 8, 1965.

I think their position is a sound one and I urge this subcommittee to give it careful consideration.

* * *

[1426] * * *

Mrs. LINDEN. Information storage and retrieval began as a response to the flood of data and reports emerging from the enormously ex-[1427]panded research efforts of the past two decades. Currently it is being applied not only to research but to education as well.

Its basic instrument is the computer which stores information on magnetic tape, but information systems are based also on microfilm and punchcards of several kinds.

At Bethesda, Md., stands the National Library of Medicine. It houses a sophisticated computer system and a highly trained staff who read and index all of the articles appearing in current medical journals and books.

The computer collates and prints out the Index Medicus, which is published and distributed on a regular schedule. The information system known as "Medlars" is primarily devoted to indexing.

A related but significantly different information retrieval system was announced in the New York Times on March 4, 1965. In announcing the joining of these three major universities, Harvard, Yale, and Columbia medical school libraries, in a computer and telephone line system, the article

continues to state that this system will be equally adaptable to groups of law, business, or general libraries as well. And now I quote:

When telecommunication and photographic reproducing devices are added to the network system, it will be possible to eliminate some duplication of material among libraries. Pages from a book in New York could be flashed to a user in another city and even reproduced for him in take-home form.

Later in the same news item, Thomas P. Fleming, head of the Columbia University Medical Library, states:

With the computer you can enter many, many more subject headings. These go in compact, miniaturized form on magnetic tape and are stored on discs. Just as in a jukebox when a person pushes the button, the arm finds what he wants, so the searching arm goes along with the discs and picks out what the researcher wants.

The difference between "Medlars" and the medical library network is clear. At present, "Medlars" is devoted primarily to the indexing of journal articles. The new network is designed to retrieve and print out information from books.

"Current Research and Development in Scientific Documentation," volume No. 13, dated November 1964, issued by the National Science Foundation updates similar volumes previously published. In close to 500 pages, the current status of 150 information storage and retrieval systems is described. These include the activities not only of Government-sponsored research projects of universities,

but of many of our major corporations such as Radio Corp. of America, Philco Corp., Motorola, Sperry Rand, IBM, ITEK, Bell Telephone Laboratories, Burroughs, Magnavox, and Chrysler Corp.

May I call your attention to page 243 of this publication which reports on the Recordak Corp., a subsidiary of the Eastman Kodak Co. The Recordak Lode Star Reader-Printer described in this report is in operation here in Washington.

It makes possible automatic location and reproduction either on a screen or on paper the pages of a book or journal located in a central storage miles away. I have seen this system in operation.

The access time for locating a document out of many thousands and flashing it on the screen is approximately 7 seconds. Print-out — which is the reproduction in hard copy form of as much of these articles or books as you choose — appeared to me to be as rapid.

* * *

[1917] nology in the national interest. I am glad to transmit herewith, for consideration by your committee, a copy of the statement prepared by our ad hoc committee on April 22, 1965.

Yours sincerely,

FREDERICK SEITZ, *President.*

Hearings on H.R. 4347

STATEMENT BY AD HOC COMMITTEE ON COPYRIGHT LAW REVISION

The National Academy of Sciences-National Research Council has among its concerns the advancement of science and the widest dissemination and use of scientific information. For these reasons, the Ad Hoc Committee on Copyright Law Revision met recently to consider the possible effects of the bills to revise the copyright law (H.R. 4347 and 8. 1006) now before the Congress. The following is a summary of committee consensus on selected sections of the bills.

Among the more important sections is section 107, "Limitations on exclusive rights: Fair use," which permits fair use of copyrighted work without infringing copyright. We support this first statutory recognition of fair use as a doctrine, and we urge that no defining language be added, leaving the courts to decide specific cases. This position is a result of our difficulty in predicting what new forms of copying might arise In the future; we favor a broad and qualitative approach.

In our opinion, certain sections of the bill are particularly favorable for the individual scientific author. This is true of sections 201(c) and 204(a) relating to the ownership of copyright in collective works and to the requirement for a written transfer of copyright. We support these sections as we feel that the regularity and clarity of the procedures would more than offset their slight additional recordkeeping requirement.

Another important statement of proposed copyright policy occurs in section 601(b)(2), where importation of 3,500 copies of a copyrighted work manufactured abroad is permitted. We favor this section as it is a broadening of the present law and is appropriate to a wider use and dissemination of scientific information. It would appear that the interests of science might best be served by the eventual elimination of any requirement for domestic manufacture.

Section 105, "Subject matter of copyright: United States Government works," refers only to works prepared by officers or employees of the Government and does not refer to the ownership of copyright in works resulting from Government contracts. As we understand this situation, omission of the latter topic means that the present practice will continue; i.e., that the language of each contract will specify ownership of copyright. In our opinion, this flexibility of approach is desirable and should be supported as a general principle. Where special requirements for Government departments and agencies are necessary, they can be dealt with by administrative arrangement.

The committee will continue to follow the discussion of the copyright law and may from time to time supplement this statement.

Prof. W. ALBERT NOYES Jr.,
Chairman, Ad Hoc Committee on Copyright Law Revision.

APRIL 22, 1965.

NATIONAL BROADCASTING CO., INC.,
New York, N.Y., September 15, 1965.

Hearings on H.R. 4347

Hon. EDWIN E. WILLIS,
Chairman. Subcommittee No. 3, Committee on the Judiciary, House of Representatives, Washington D.C.

DEAR CONGRESSMAN WILLIS: NBC has not participated directly in the hearings which subcommittee No. 3 has been conducting upon H.R. 4347 because it felt that its views were adequately represented by the National Association of Broadcasters. NBC supports the enactment of H.R. 4347 with the changes recommended in the testimony of Mr. Douglas A. Anello, general counsel of the NAB. There is one subject, however, upon which we would like to amplify the NAB testimony — the relationship of the copyright law to CATV systems.

NBC, in numerous comments filed with the Federal Communications Commission, has consistently taken the position that CATV systems are making an unauthorized use of program material when they distribute over their systems the programs of a broadcast station without having obtained the consent of that

* * * *

112 CONG. REC. 24066 (1966) (SUMMARY OF PRINCIPAL PROVISIONS OF H.R. 4347, INSERTED BY MR. KASTENMEIER)

CONGRESSIONAL RECORD — HOUSE

[24066] September 27, 1966

CHAPTER 2: OWNERSHIP AND TRANSFER OF COPYRIGHT

Section 201: Copyright ownership
Initial ownership

Section 201(a) restates the established principles that copyright ownership originates in the author, and that the authors of a "joint work" are co-owners of the copyright. Under section 101 a "joint work" is defined as "a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole."

Works Made for Hire

Subsection (b) retains the present principle governing works made for hire: that is such cases "the employer or other person for whom the work was prepared is considered the author." A "work made for hire" is defined in section 101 to include not only "a work prepared by an employee within the scope of his employment," but also a group of special types of works that have been "specially ordered or commissioned" for certain specified purposes. If there has been an express agreement to consider the work as one "made for hire."

112 Cong. Rec. 24066 (1966)

Contributions to Collective Works

Section 201(c) states explicitly that each individual contribution to a collective work such as an encyclopedia article or a story first published in a magazine, is considered a separate work in which copyright ownership "vests initially in the author." Subsection (c) also establishes a presumption that, in the absence of an express transfer, the author retains ownership of copyright in his contribution and the publisher acquires only certain publishing rights.

Transfer and Divisibility of Copyright

Copyright ownership is transferrable under the bill, as under the present statute, by any means of conveyance or by operation of law. Clause (2) of section 201(d) is intended to solve the problems that have arisen under existing law because of the theory that copyright is indivisible: it provides that "any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred * * * and owned separately."

H.R. REP. NO. 2237, 89TH CONG., 2d SESS. (1966), pp. 116-117

HOUSE OF REPRESENTATIVES

89th Congress
2d Session

REPORT
No. 2237

COPYRIGHT LAW REVISION

OCTOBER 12, 1966 — Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. KASTENMEIER, from the Committee on the Judiciary, submitted the following

REPORT

[To accompany H.R. 4347]

The Committee on the Judiciary, to whom was referred the bill (H.R. 4347) for the general revision of the copyright laws, title 17 of the United States Code, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

H.R. Rep. No. 2237

That title 17 of the United States Code, entitled "Copyrights," is hereby amended in its entirety to read as follows:

TITLE 17 — COPYRIGHTS

CHAPTER		Sec.
1.	SUBJECT MATTER AND SCORE OF COPYRIGHT	101
2.	COPYRIGHT OWNERSHIP AND TRANSFER	201
3.	DURATION OF COPYRIGHT	301
4.	COPYRIGHT NOTICE, DEPOSIT, AND REGISTRATION	401
5.	COPYRIGHT INFRINGEMENT AND REMEDIES	501
6.	MANUFACTURING REQUIREMENT AND IMPORTATION	601
7.	COPYRIGHT OFFICE	701

H.R. Rep. No. 2237

CHAPTER 1 — SUBJECT MATTER AND SCOPE OF COPYRIGHT

Sec.

101. Definitions.
102. Subject matter of copyright: In general.
103. Subject matter of copyright: Compilations and derivative works.
104. Subject matter of copyright: National origin.
105. Subject matter of copyright: United States Government works.
106. Exclusive rights in copyrighted works.
107. Limitations on exclusive rights: Fair use.
108. Limitations on exclusive rights: Reproduction of works in archival collections.
109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord.

* * *

[116] "work made for hire": in addition to works prepared by an employee within the scope of his employment, the definition provided four special cases (contributions to collective works and motion pictures, translations, and supplementary works) that would be considered works made for hire if the parties agreed to this result in writing. The bill contained a separate definition, with examples, of a supplementary work: a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, illustrating, explaining, commenting upon, or assisting in the use of the other work.

H.R. Rep. No. 2237

After introduction of H.R. 4347 a number of representatives of author and publisher organizations succeeded in reaching a compromise that was presented at the hearings. In effect, this compromise was aimed at adding additional categories to the four types of commissioned work dealt with specially in the definition of works made for hire, and at somewhat broadening (or at least clarifying) the correlative definition of "supplementary work."

After full consideration the committee has decided to incorporate the substance and much of the language of this compromise in the bill. In addition to the four classes originally listed in H.R. 4347, the commissioned works to be accorded special treatment include "a compilation," "an instructional text," "a test," and "an atlas." The committee wishes to make clear that the agreement referred to in the definition must not only be in writing but must also be signed by the parties.

The definition of "supplementary work," which has now been made a part of the definition of "work made for hire," has been broadened to cover material prepared for purposes of "concluding" and "revising" another author's work, and the examples have been amplified to include "afterwords," "musical arrangements," and "answer material for tests."

One of the most important substantive changes in the definition involves the incorporation of "instructional texts" among the categories of commissioned works that can be considered "works made for hire" upon agreement of the parties. This new term is given its own definition in the committee's amendment: "a literary, pictorial, or graphic

work prepared for publication with the purpose of use in systematic instructional activities." The concept is intended to include what might loosely be called "textbook material," whether or not in book form or prepared in the form of text matter. The basic characteristic of "instructional texts" is the purpose of their preparation for "use in systematic instructional activities," and they are to be distinguished from works prepared for use by a general readership.

Contributions to collective works

Subsection (c) of section 201 deals with the troublesome problem of ownership of copyright in contributions to collective works, and the relationship between copyright ownership in a contribution and in the collective work in which it appears. The first sentence establishes the basic principle that copyright in the individual contribution and copyright in the collective work as a whole are separate and distinct, and that the author of the contribution is, as in every other case, the first owner of copyright in it. Under the definitions in section 101, a "collective work" is a species of "compilation" and, by its nature, must involve the selection, assembly, and arrangement of "a number of contributions." Examples of "collective works" would ordinarily [117] include periodical issues, anthologies, symposia, and collections of the discrete writings of the same authors, but not cases such as a composition consisting of words and music, a work published with illustrations or front matter, or three one-act plays, where relatively few separate elements have been brought together. Unlike the contents of other types of "compilations," each of the contributions incorporated in a "collective work" must itself constitute a

"separate and independent" work, therefore ruling out compilations of information or other uncopyrightable material and works published with editorial revisions or annotations. Moreover, as noted above, there is a basic distinction between a "joint work," where the separate elements merge into a unified whole, and a "collective work," where they remain unintegrated and disparate.

The bill does nothing to change the rights of the owner of copyright in a collective work under the present law. These exclusive rights extend to the elements of compilation and editing that went into the collective work as a whole, as well as to the contributions that were written for hire by employees of the owner of the collective work, and those copyrighted contributions that have been transferred in writing to the owner by their authors. However, one of the most significant aims of the bill is to clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions.

The second sentence of section 201(c), in conjunction with the provisions of section 403 dealing with copyright notice, will preserve the author's copyright in his contribution even if the contribution does not bear a separate notice in his name, and without requiring any unqualified transfer of rights to the owner of the collective work. This is coupled with a presumption that, unless there has been an express transfer of more, the owner of the collective work acquires "only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." Although magazine publishers objected

to this presumption as discriminatory, the committee believes that it is fully consistent with present law and practice and that it represents a fair balancing of the equities.

The magazine contributors, while strongly supporting the basic presumption in their favor, suggested that the last clause be deleted as unduly restrictive. However, the committee considers this clause, under which the privilege of republishing the contribution under certain limited circumstances would be presumed, as an essential counterpart of the basic presumption. Under the language which has been retained a publisher could reprint a contribution from one issue in a later issue of his magazine, or could reprint an article from a 1970 edition of an encyclopedia in a 1980 revision of it: he could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

Transfer of ownership

The principle of unlimited alienability of copyright is stated in clause (1) of section 201(d). Under that provision the ownership of a copyright, or of any part of it, may be transferred by any means of conveyance or by operation of law, and is to he treated as personal property upon the death of the owner. The term "transfer of copyright ownership" is defined in section 101 to cover any "conveyance,

* * * *

COPYRIGHT LAW REVISION: HEARINGS BEFORE THE SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS OF THE SENATE COMM. ON THE JUDICIARY, 90TH CONG., 1ST SESS. (1967), pp. 1135-1137, 1139, 1142-1143

COPYRIGHT LAW REVISION

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
PATENTS, TRADEMARKS, AND COPYRIGHTS
OF THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETIETH CONGRESS
FIRST SESSION
Pursuant to S. Res. 37
ON
S. 597

PART 3
APRIL 6, 11 AND 12, 1967

PART 4
APPENDIX AND INDEX

Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE

* * *

WASHINGTON : 1967

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Hearings on S. 597

[1135] STATEMENT OF HARRIET F. PILPEL ON BEHALF OF THE AMERICAN SOCIETY OF MAGAZINE PHOTO-GRAPHERS AND THE SOCIETY OF MAGAZINE WRITERS ON S. 597 FOR SUBMISSION TO THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS OF THE SENATE COMMITTEE ON THE JUDICIARY ON MAY 10, 1967

My name is Harriet F. Pilpel. I am a senior partner in the New York law firm of Greenbaum, Wolff & Ernst; a member of the United States Copyright Office Panel of Experts; a trustee of the Copyright Society of the United States; co-author with Morton D. Goldberg of the book, "A Copyright Guide"; co-author with Theodora S. Zavin of the book, "Rights and Writers"; and author of a monthly column entitled, "But Can You Do That?" in the magazine "Publishers Weekly."

I submit this statement as General Counsel for the American Society of Magazine Photographers and the Society of Magazine Writers. Both organizations derive their membership from all over the country.

* * *

[1136] The Bill defines "collective work" in § 101 as a "work, such as a periodical issue, anthology or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." Obviously, this defines the medium in which the Magazine Photographers and Magazine Writers

operate. Their importance to life and letters in the United States is considerable. One need only remember the statement that one picture can be worth 1500 pages of text or to recall that such major seminal contributions to the law as the very concept of "the right of privacy" first appeared in a periodical. Under the present law, confusion and hardship keynotes the copyright situation of contributions to periodicals or other collective works. It is not clear, in the absence of a separate copyright notice, who owns what part of such works or of the separate contributions of which they are comprised; or what kind of copyright notice the collective work should carry (e.g., is one overall new notice in the name of the owner of the collective work sufficient, or must there be a listing of the prior effective copyright notices of all the constituent works or both?). Moreover, in the case of photographs or other works of graphic art, a further question arises as to the relation between the original physical picture, for example, and the right to reproduce it. The present manufacturing clause of the copyright act bears down heavily on United States contributors to foreign books, *magazines and newspapers* — with respect to illustrations and photographs as well as text. In most instances, the United States contributor to a foreign work, of course, has no control over where it is printed so that loss of his copyrights is an ever present threat. And this, despite the fact that surely among our best ambassadors of good will to friend and foe abroad are magazine photographers and writers who are in a unique position to interpret the United States to the rest of the world.

Many of the confusions and ambiguities in the present law will disappear if the proposed bill is enacted into law. Thus, § 201(c) of the Bill provides:

"(c) CONTRIBUTION TO COLLECTIVE WORKS. — Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, "the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."

* * *

[1139] The organizations I represent and, of course, I myself greatly appreciate this opportunity to submit this statement, and hope that as a result of these Hearings, the Committee will report the Bill favorably and the Senate promptly enact it.

Respectfully submitted,

HARRIET F. PILPEL,
General Counsel for American Society of Magazine Photographers and Society of Magazine Writers.

* * *

Hearings on S. 597

[1142] * * *

STATEMENT OF TOM MAHONEY, ON BEHALF OF THE SOCIETY OF MAGAZINE WRITERS, ON S. 597, FOR SUBMISSION TO THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS OF THE SENATE COMMITTEE ON THE JUDICIARY ON MAY 10, 1967

My name is Tom Mahoney. I live in New York and am a member of the Copyright Committee of the Society of Magazine Writers. We are an organization of more than 200 men and women who write for practically all the general magazines and also for the magazine supplements of the newspapers. Many also are authors of books.

We have quarters in the Overseas Press Club, 54 West 40th Street, New York City. About half the members live in the New York area, but the others are widely scattered.

We have a dozen members in the Washington, D.C. area. Senator Jennings Randolph of West Virginia is a member. The late Senator Richard Neuberger of Oregon was a member for several years. John Bartlow Martin, former Ambassador to the Dominican Republic is a member.

In Connecticut we have seventeen members, including Bernard Asbell, Albert Maisel, Vance Packard and John Tunis. In addition to countless articles for magazines of great circulation, all have written books. You may recall Packard's "Hidden Persuaders" and Asbell's "When F.D.R. Died."

We have several members in Pennsylvania, one in Detroit and two with well known names in the Hawaiian Islands. These are Bill Lederer and Richard Tregaskis. You probably recall Tregaskis' "Guadalcanal Diary" and Lederer's Navy stories and his co-authorship of "The Ugly American."

In an age when radio and television, aided by man-made satellites of this planet, transmit the products of American authorship in an instant throughout the world, and at a time when world peace and worldwide understanding of our country's inhabitants and their ideals were never more vital to our security as a nation, we believe that this Bill in §§ 302 through 305, wisely brings this country into line with all other countries that are major exporters of cultural products in the family of nations, by undertaking to secure the rights of authorship within this nation for a period of time equal to the life of the author plus fifty years. Other organizations of writers either have treated or will treat of this theme more fully; we are confident that the views that they will express on this subject will entirely coincide with our own.

So, too, we hail the prudent provisions of §§ 203 and 304(c) of this bill, limiting the duration of an author's assignment of his rights to a period of thirty-five years. Again, we fill confident that other authors' organizations will have more to say on this subject thoroughly coincident with our views. We content ourselves, therefore, by saying that, though no other provisions of this bill have, in the years of study of which it is the product, been more hotly debated between authors and users, the resulting harmonization and compromise of their conflicting views is as statesmanlike as it is necessary.

Hearings on S. 597

Of major benefit to our members are the provisions that expressly recognize the separable nature of the bundle of rights that we call "copyright", and which do away with the unrealistic concept of an "indivisible" copyright. We refer particularly to §§ 201(c), 403, and 501(b) of the instant bill. These sections represent a major improvement over existing copyright law, and serve to clarify the rights of contributors to periodical literature—a subject that has heretofore been surrounded by much doubtful legal disputation.

[1143] Ideally, of course, we should have liked to see an end made to two vexing formalities whose principal effect in times past has been to serve as traps for unwary authors: the requirements of copyright notice and of domestic printing (the latest being generally referred to as the "manufacturing clause"). We recognize, however, that here, too, a compromise of conflicting views was essential to achieve a bill that would have the support of most, if not all, of the interests affected. The prior rigors of both requirements have, in the process, been much softened, and we are reasonably content with the result.

Accordingly, we urge your Subcommittee to approve the pending bill.

Respectfully submitted,

SOCIETY OF MAGAZINE WRITERS
BY TOM MAHONEY

* * * *

COPYRIGHT LAW REVISION: HEARINGS ON H.R. 2223 BEFORE THE SUBCOMM. ON COURTS, CIVIL LIBERTIES AND ADMINISTRATION OF JUSTICE OF THE HOUSE COMM. ON THE JUDICIARY, 94TH CONG., 1ST SESS. (1975), pp. 332, 338, 2077

COPYRIGHT LAW REVISION

HEARINGS
BEFORE THE
SUBCOMMITTEE ON COURTS, CIVIL LIBERTIES,
AND THE ADMINISTRATION OF JUSTICE
OF THE
COMMITTEE ON THE JUDICIARY
HOUSE OF REPRESENTATIVES
NINETY-FOURTH CONGRESS

FIRST SESSION
ON
H.R. 2223

COPYRIGHT LAW REVISION

MAY 7, 8, 14, 15; JUNE 3, 5, 11, 12; JULY 10, 17, 23;
SEPTEMBER 11, 18; OCTOBER 9, 30;
NOVEMBER 6, 20; AND DECEMBER 4, 1975

Serial No. 36
Part 1

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U.S. GOVERNMENT PRINTING OFFICE

* * *

Hearings on H.R. 2223

WASHINGTON : 1976

* * *

[332] . . . of the material available for our students and teachers. We are particularly pleased to note that the principal professional organization of media educators, the Association for Educational Communication and Technology, is also supporting the language of 107, as it now stands.

For our part, we recognize the industry's responsibility to help educators utilize new technology as effectively as possible to improve the instructional process. We have made studies and developed a series of licensing arrangements over the past 2 years in cooperation with individual school systems. These accommodations allow schools for the first time to duplicate copies of purchased materials under agreed-upon formulas of compensation and provide access to needed materials.

We also have made a very strong and successful effort to establish and maintain dialogs with the users of educational media. This has taken several forms, with dozens of discussions with users of these materials, approximately a dozen articles in educational journals, reprints which have been made available free to educators, and individual efforts of members of our copyright committee to assist school systems to adopt viable copyright policies.

We are always ready to discuss with educational organizations guidelines to aid in determining parameters of fair use. The bill, as introduced, is good and workable, in

our opinion, the product of many days of deliberation by the respective congressional committees and concerned parties. It is universally recognized that revision of the 1909 statute is imperative. The sooner this is accomplished, the better it will be for all concerned.

We appreciate this opportunity to appear before you.

I would like to close by summarizing our small industry. The gross dollar revenue per member company is small. Our unit sales are small. Anything that would take away from these sales would, in fact, hurt our industry and member companies. We do not want to stop technology. We want to accommodate technology and educators. We feel we have gone as far as we can go. That is why we support H.R. 2223 particularly section 107 as it stands.

MR. KASTENMEIER. Thank you, Mr. Meell. We will now hear from Mr. Zurkowski.

[The prepared statements of Paul Zurkowski follow:]

STATEMENT OF PAUL G. ZURKOWSKI, PRESIDENT, INFORMATION INDUSTRY ASSOCIATION

Mr. Chairman. I am Paul G. Zurkowski, President of the Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014. As you know, the information industry has grown up in the years since 1967. The Association was formed in 1968. As an attorney with some publishing experience, I have served since February 1969 as its first principal paid employee. Prior to that time, of

course, I served as legislative assistant in your office for approximately five years.

The Association presented testimony to the Senate Committee on these same issues in 1973. I refer you to that testimony for a detailed explanation of the industry. It begins at p. 266 in the July 31. Aug. 1, 1973 Hearings on S.1361.

In her testimony last week the Register of Copyrights expressed grave concern about information technologies. She said that because of today's technology once an author's idea is "out of the cage", he has no way to recapture it. He cannot receive compensation: he cannot control the context, in fact, he has lost his idea. She said that many authors are trying to determine if it is possible to let their ideas out preferring to keep them to themselves.

In the absence of effective copyright rules for modern information technologies it is possible to devise methods to limit distribution and to limit access to au- . . . .

* * *

[338] . . . have access to that systems version of the facts and another area would have access to another state-subsidized version. How would we as a nation sort out the truth without equal access to the same unabridged works of authorship. If the author's control over his work product through copyright is denied him by exemptions which free his works to be input, piecemeal or in total accurately or inaccurately, it is difficult to see how the nation can stimulate and reward authors for writing the insightful and critical commentaries essential to the functioning of a democracy.

An exemption of input from copyright infringement would have other effects as well:

By implication such an amendment to the present legislation acknowledges that to input copyrighted materials into a computer is an infringement under present law. A need for such a change in the law has not been proved.

The small printouts resulting from most computer searches would by their size alone be argued to constitute "fair use" of the information. Having inserted in the computer the Encyclopaedia Britannica, brief extracts would be printed out. Notwithstanding the fact that this is the only way to use encyclopedic information, many would seek to treat it as fair use. Since there is no provision for any payment system in the proposal, this apparently is the intended result.

If entire works are free to be input, such materials as the *Reader's Guide to Periodical Literature* could be keypunched and installed in a computer system. Such publications are used simply to find a specific article citation. Without specific provision for controlling uses, the protection offered by copyright would be minimal. Little would be published in the open literature and authors would attempt to protect themselves by limiting by contract what uses could be made of their works.

The stress on exemptions would have the effect of eliminating publishing media which did not have exemptions because the basis for creation and investment in dissemination efforts, a minimal proprietary position, would be eliminated. The result would be reduced creation and

distribution of works of authorship. The elimination of risk capital and the reliance on state capital would seriously retard development in many areas of science and the useful arts.

The proliferation of non-profit uses, particularly in information, today are legend. Government funding of research in information systems work, for example, is essentially limited to grants to non-profit organizations. This has led to the development of a whole generation of organizations performing this research on a non-profit basis. Separate non-profit groups have grown up to do similar research in education. We raise these questions not to challenge the purposes of these groups, but to suggest that the amendment is unduly broad as drafted and would serve, if enacted, to stimulate even further the development of subsidy-based information dissemination activities.

Finally, we believe there are several basic legislative drafting objections to the exemption proposal:

The amendment conflicts with the purpose of Section 117 to maintain the status quo in the law vis-a-vis copyright at input. If the committee is to consider seriously this exemption, similar serious consideration must be given to the author's rights-based amendments offered above. It should be clear from a brief reading of the amendments we have suggested that this is an exceedingly complex area and that it cannot be dealt with simplistically.

The amendment, if coupled with the library photocopying exemption appears to destroy the economic base of publishing. What the education exemption would allow to be input

without infringing copyright, the library exemption would permit the copying of. The result would be the elimination of meaningful copyright protection for authors.

The amendment would preempt much of the work of the National Commission on New Technological Uses of Copyrighted Works. By granting such an exemption the amendment would not only prejudge a large segment of the Commission's responsibilities, but it would also create a situation where there would be no experience for the Commission to draw on in evaluating how authors and users can resolve problems and develop workable relations within an economic framework.

In summary, the information industry position on H.R. 2223 is that subject to some technical amendments the bill should be enacted in its present form and that the library and education exemptions should be rejected. In the event that serious consideration is given to any such amendments, of a nature to deprive authors of significant rights in the new information technologies we respectfully . . . .

* * *

[2077] Congress provided for the creation of a body to study and make recommendations concerning computer uses of copyrighted works by enacting Public Law 93-573. This created in the Library of Congress a National Commission on New Technological Uses of Copyrighted Works. Among other functions, the Commission is "to study and compile data on the reproduction and use of copyrighted works of authorship in conjunction with automatic systems capable

of storing, processing, retrieving and transferring information . . ." It also provides that "[t]he Commission shall make recommendations as to such changes in copyright law or procedures that may be necessary to assure access to copyrighted works, and to provide recognition of the rights of copyright owners." The law provides that the Commission "shall submit to the President and the Congress a preliminary report on its activities" within one year of its first meeting. Within three years of the enactment of Public Law 93-573, the Commission is required to submit "a final report on its study and investigation which shall include its recommendations and such proposals for legislation and administrative action as may be necessary to carry out its recommendations."

Analysis

Section 117 of the revision bill, in the words of Senate Judiciary Committee Report No. 983, "is intended neither to cut off any rights that may now exist nor to create new rights that might be denied under the Act of 1909 or under common law principles currently applicable." [Page 154] However, as is further indicated in the Senate Report, section 117 is intended to preserve the status quo only with retard to those exclusive rights of a copyright owner enumerated in section 106 and qualified in sections 107 through 116.

Any action for infringement of a copyrighted work through its use in conjunction with a computer or similar information system would be a Federal action brought under the new title 17. If the question before the court required a decision on the scope of exclusive rights in the computer

area, the court "would first need to determine the applicable law, whether State common law or the Act of 1909." Once the court has determined what law is applicable, "its decision would depend upon its interpretation of what that law was on the point on the day before the effective date of the new statute." [Senate Report No. 983 at 155.] This procedure is generally acceptable to both sides of the " 'input' as infringement" controversy because both believe that, under present law, their viewpoint would prevail.

CHAPTER 2

OWNERSHIP, TRANSFER, DIVISIBILITY, REVERSION

Summary

Chapter 2 of H.R. 2223 deals with ownership and transfer of rights. Some of the issues underlying this chapter were controversial at one time, but after compromises and redrafting there has been no debate over this chapter for several years.

The chapter begins with a reconfirmation that the fountainhead of copyright is the author, and that copyright ownership belongs to him in the first instance. As under the present law, an exception is made in the case of works made for hire. Provisions have been added clarifying the present law with respect to ownership of contributions to collective works and the divisibility of rights under a copyright.

A system of reversions, under which a disadvantageous transfer of rights can be terminated after 35 years by the

author or certain of his beneficiaries is substituted for the renewal system of the present law.

SECTION 201: OWNERSHIP

Collective works

Section 201(c) seeks to clarify one of the most difficult questions under the existing law: the ownership of contributions to periodicals and other collective works. It states explicitly that copyright in a contribution is separate from copyright in the collective work as a whole and that, in the absence of an express transfer, the owner of the collective work obtains only certain limited rights with respect to each contribution.

Divisibility

Subsection (d) of section 201 is even more far-reaching in its effects. In theory, under the present law, a copyright has been considered a single, indivisible bundle of exclusive rights. In practice this theory has been recognized . . . .

* * *

H.R. REP. NO. 1476, 94TH CONG., 2d SESS. (1976), pp. 47-55, 116, 122-123

HOUSE OF REPRESENTATIVES

94TH CONGRESS
2d Session

REPORT
No. 94-1476

* * *

COPYRIGHT LAW REVISION

SEPTEMBER 3, 1976. — Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. KASTENMEIER, from the Committee on the Judiciary, submitted the following

REPORT
together with
ADDITIONAL VIEWS

[To accompany S. 22]

The Committee on the Judiciary, to whom was referred the bill (S. 22) for the general revision of the copyright law, title 17 of the United States Code, and for other purposes, having considered the same, report favorably thereon with an amendment in the nature of a substitute and recommend that the bill as amended do pass.

The amendments are as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

H.R. Rep. No. 1476

Sec. 101. Title 17 of the United States Code, entitled "Copyrights" is hereby amended in its entirety to read as follows:

TITLE 17 — COPYRIGHTS

CHAPTER		Sec.
1.	Subject Matter and Score of Copyright	101
2.	Copyright Ownership and Transfer	201
3.	Duration of Copyright	301
4.	Copyright Notice, Deposit, and Registration	401
5.	Copyright Infringement and Remedies	501
6.	Manufacturing Requirement And Importation	601
7.	Copyright Office	701
8.	Copyright Royalty Commission	801

Chapter 1. — SUBJECT MATTER AND SCOPE OF COPYRIGHT

Sec.

101. Definitions.
102. Subject matter of copyright: In general.
103. Subject matter of copyright: Compilations and derivative works.
104. Subject matter of copyright: National origin.
105. Subject matter of copyright: United States Government works.
106. Exclusive rights in copyrighted works.
107. Limitations on exclusive rights: Fair use.
108. Limitations on exclusive rights: Reproduction of works in archival collections.

109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord.
110. Limitations on exclusive rights: Exemption of certain performances find displays.
111. Limitations on exclusive rights: Secondary transmissions.
112. Limitations on exclusive rights: Ephemeral recordings.

* * *

PURPOSE

[47] The purpose of the proposed legislation, as amended, is to provide for a general revision of the United States Copyright Law, title 17 of the United States Code.

STATEMENT

The first copyright law of the United States was enacted by the First Congress in 1790, in exercise of the constitutional power "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries" (U.S. Constitution, Art. I, sec. 8). Comprehensive revisions were enacted, at intervals of about 40 years, in 1831, 1870, and 1909. The present copyright law, title 17 of the United States Code, is basically the same as the act of 1909.

Since that time significant changes in technology have affected the operation of the copyright law. Motion pictures and sound recordings had just made their appearance in 1909, and radio and television were still in the early stages of their

development. During the past half century a wide range of new techniques for capturing and communicating printed matter, visual images, and recorded sounds have come into use, and the increasing use of information storage and retrieval devices, communications satellites, and laser technology promises even greater changes in the near future. The technical advances have generated new industries and new methods for the reproduction and dissemination of copyrighted works, and the business relations between authors and users have evolved new patterns.

Between 1924 and 1940 a number of copyright law revision measures were introduced. All these failed of enactment, partly because of controversy among private interests over differences between the Berne Convention and the U.S. law. After World War II, the United States participated in the development of the new Universal Copyright Convention, becoming a party in 1955.

In that year, the movement for general revision of the U.S. copyright law was revived and the legislative appropriations act for the next 3 years provided funds for a comprehensive program of research and studies by the Copyright Office as the groundwork for such revision. There followed a period of study which produced 35 published monographs on most, of the major substantive issues in copyright revision, and culminated in 1961 in the "Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law."

Between 1961 and 1964 there were numerous meetings and discussions under the auspices of the Copyright Office,

participated in by representatives of a wide range of interests affected by the copyright law. Gradually a draft bill for general revision took shape, and toward the end of the 88th Congress, on July 20, 1964, it was introduced in both Houses. The 1964 revision bill was introduced in the House of Representatives, as H.R. 11947, and in the Senate by request. as S. 3008.

No further legislative action was taken on the revision bill during the 88th Congress, but before the opening of the 89th Congress the [48] Copyright Office completely revised the bill in the light of the many comments that had been received. On February 4, 1965, the revised bill was introduced in both Houses: in the House as H.R. 4347, and in the Senate as S. 1006. The Copyright Office prepared a report to accompany the revised bill, and it was published in May, 1965 as "The Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law: 1965 Revision Bill." Extensive hearings on the bill were he d in both Houses during 1965, and the Senate hearings continued in 1966. H.R. 4347 was reported by the House Judiciary Committee on October 12, 1966 (H.R. Rep. No. 2237, 89th Cong., 2d Sess.), but the 89th Congress adjourned before further action could be taken.

At the beginning of the 90th Congress the bill, in the form in which it had been reported by the House Judiciary Committee, was again introduced in both Houses: in the House of Representatives on January 17, 1967 as H.R. 2512, and in the Senate on January 23, 1967, as S. 597. H.R. 2512 was reported by the House Judiciary Committee, without further amendment but with dissenting views, on March 8,

1967 (H.R. Rept. No. 83, 90th Cong., 1st Sees.). The bill was passed by the House of Representatives, with several important amendments, on April 11, 1967, by a vote of 379 to 29. The Senate Judiciary Subcommittee conducted further hearings on S. 597 in March and April of 1967. However, it was not possible to complete action on copyright revision in the 90th Congress because of the emergence of certain major problems, notably that of cable television.

On January 22 (legislative day January 10), 1969, S. 543 was introduced in the 91st Congress. Title I of this bill, other than for technical amendments, was identical to S. 597 of the 90th Congress. Title II of the bill incorporated the provisions of S. 2216 providing for the establishment of a National Commission on New Technological Uses of Copyrighted Works. This title was a response to concerns as to the impact of the legislation on the use of copyrighted materials in computers and other forms of information storage and retrieval systems. The Senate had passed, on October 12, 1967, a bill establishing such a Commission for the study of this subject, but there had been no action by the House on this separate legislation.

On December 10, 1969, the Senate Judiciary Subcommittee favorably reported S. 543, with an amendment in the nature of a substitute. No further action was taken in the 91st Congress primarily because of the cable television issue.

On February 18, 1971, S. 644 was introduced in the 92nd Congress. Other than for minor amendments, the text of that bill was identical to the revision bill reported by the Subcommittee in the 91st Congress. No action was taken on

general revision legislation during the 92nd Congress, pending the formulation and adoption by the Federal Communications Commission of new cable television rules.

While action on the general revision bill was necessarily delayed, the unauthorized duplication of sound recordings became widespread. It was accordingly determined that the creation of a limited copyright in sound recordings should not await action on the general revision bill. S. 646 of the 92nd Congress was introduced to amend title 17 of the U.S. Code to provide for the creation of a limited copyright in sound recordings. This bill passed the Senate on April 29, [49] 1971, and, following hearings in June 1971, a companion bill (H.R. 6927) passed the House with amendments on October 4, 1971 and was enacted as Public Law 92-140.

On March 26, 1973 S. 1361, for the general revision of the copyright law, was introduced in the 93rd Congress. Other than for technical amendments, this bill was identical to S. 644 of the 92d Congress. Additional copyright revision hearings were held in the Senate on July 31 and August 1, 1973.

The Senate Judiciary Subcommittee on April 19, 1974 reported S. 1361 with an amendment in the nature of a substitute. After adopting several amendments to the subcommittee bill, the Senate Judiciary Committee reported the legislation on July 8, 1974. On July 9 the measure was removed from the Senate calendar and referred to the Committee on Commerce. The Commerce Committee reported S. 1361 with additional amendments on July 29. After adopting several amendments the Senate on September 9 passed S. 1361 by a vote of 70 to 1.

Since it was doubtful that adequate time remained in the 93d Congress for consideration in the House of Representatives of S. 1361, on September 9, Senator McClellan introduced and obtained immediate consideration of S. 3976. That bill, passed on September 9, extended the renewal term of expiring copyrights, established on a permanent basis a limited copyright in sound recordings, and created in the Library of Congress a National Commission on New Technological Uses of Copyrighted Works. The House of Representatives passed the measure with amendments on December 19, 1974, and the Senate concurred in the House amendments on the same date. The President approved the bill on December 31, 1974, and it became Public Law 93-573.

At the beginning of the 94th Congress the revision bill, substantially identical to S. 1361 as passed by the Senate in 1974, was introduced in both Houses: Senator McClellan introduced S. 22 on January 15, 1975, and Chairman Robert W. Kastenmeier of the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, introduced H.R. 2223 on January 28, 1975. S. 22 was reported, with additional views by the Senate Judiciary Committee on November 20 (legislative day, November 18), 1975, and passed the Senate unanimously, on February 19, 1976, by a vote of 97-0.

During 1975 the House Judiciary Subcommittee conducted extensive hearings on H.R. 2223, at which nearly 100 witnesses were heard. The Register of Copyrights also prepared a "Second Supplementary Report on General Revision of the U.S. Copyright Law," which discussed policy

and technical issues of the revision legislation. Following some 22 days of public mark-up sessions in 1976 the House Subcommittee favorably reported S. 22, by a unanimous vote, on August 3, 1976 with an amendment in the nature of a substitute. The Committee on the Judiciary now reports that bill, as amended, without change.

Title II of S. 22, as passed by the Senate, represents a piece of legislation separate from the bill for general legislation. This measure was originally introduced by Chairman Edwin Willis of the House Judiciary Subcommittee in 1957, and received active consid-[50]eration in both Houses during the early 1960's. It passed the Senate as separate legislation on three occasions, in 1962, 1963, and 1966. It was reintroduced in the 90th and 91st Congresses, and on December 10, 1969, the Senate Subcommittee conjoined it with the general copyright revision bill, reporting it as Title III of S. 543. As a separate title of S. 1361 of the 93d Congress, and now of S. 22, the design legislation has passed the Senate on two additional occasions.

In reporting S. 22, the House Judiciary Committee has deleted Title II. Until 1954, designs for useful articles were not generally subject to copyright protection. The primary protection available was the design patent, which requires that the design be not only "original", the standard applied in copyright law, but also "novel", meaning that it has never before existed anywhere.

However, in 1954 the Supreme Court decided the case of *Mazer* v. *Stein*, 347 U.S. 201, in which it held that works of art which are incorporated into the design of useful articles,

but which are capable of standing by themselves as art works separate from the useful article, are copyrightable. The example used in the *Mazer* case was an ornamental lamp base.

Title II of S. 22 as passed by the Senate would create a new limited form of copyright protection for "original" designs which are clearly a part of a useful article, regardless of whether such designs could stand by themselves, separate from the article itself. Thus designs of useful articles which do not meet the design patent standard of "novelty" would for the first time be protected.

S. 22 is a copyright revision bill. The Committee chose to delete Title II in part because the new form of design protection provided by Title II could not truly be considered copyright protection and therefore appropriately within the scope of copyright revision.

In addition, Title II left unanswered at least two fundamental issues which will require further study by the Congress. These are: first, what agency should administer this new design protection system and, second, should typeface designs be given the protections of the title?

Finally, the Committee will have to examine further the assertion of the Department of Justice, which testified in opposition to the Title, that Title II would create a new monopoly which has not been justified by a showing that its benefits will outweigh the disadvantage of removing such designs from free public use.

The issues raised by Title II have not been resolved by its deletion from the Copyright Revision Bill. Therefore, the Committee believes that it will be necessary to reconsider the question of design protection in new legislation during the 95th Congress. At that time more complete hearings on the subject may be held and, without the encumbrance of a general copyright revision bill, the issues raised in Title II of S. 22 may be resolved.

SECTIONAL ANALYSIS AND DISCUSSION

An analysis and discussion of the provisions of S. 22, as amended, follows:

SECTION 101. DEFINITIONS

The significant definitions in this section will be mentioned or summarized in connection with the provisions to which they are most relevant.

[51] SECTION 102. GENERAL SUBJECT MATTER OF COPYRIGHT

"Original works of authorship"

The two fundamental criteria of copyright protection — originality and fixation in tangible form — are restated in the first sentence of this cornerstone provision. The phrase "original works of authorship," which is purposely left undefined, is intended to incorporate without change the standard of originality established by the courts under the present copyright statute. This standard does not include

requirements of novelty, ingenuity, or esthetic merit, and there is no intention to enlarge the standard of copyright protection to require them.

In using the phrase "original works of authorship," rather than "all the writings of an author" now in section 4 of the statute, the Committee's purpose is to avoid exhausting the constitutional power of Congress to legislate in this field, and to eliminate the uncertainties arising from the latter phrase. Since the present statutory language is substantially the same as the empowering language of the Constitution, a recurring question has been whether the statutory and the constitutional provisions are coextensive. If so, the courts would be faced with the alternative of holding copyrightable something that Congress clearly did not intend to protect, or of holding constitutionally incapable of copyright something that Congress might one day want to protect. To avoid these equally undesirable results, the courts have indicated that "all the writings of an author" under the present statute is narrower in scope than the "writings" of "authors" referred to in the Constitution. The bill avoids this dilemma by using a different phrase — "original works of authorship" — in characterizing the general subject matter of statutory copyright protection.

The history of copyright law has been one of gradual expansion in the types of works accorded protection, and the subject matter affected by this expansion has fallen into two general categories. In the first, scientific discoveries and technological developments have made possible new forms of creative expression that never existed before. In some of these cases the new expressive forms — electronic music,

filmstrips, and computer programs, for example — could be regarded as an extension of copyrightable subject matter Congress had already intended to protect, and were thus considered copyrightable from the outset without the need of new legislation. In other cases, such as photographs, sound recordings, and motion pictures, statutory enactment was deemed necessary to give them full recognition as copyrightable works.

Authors are continually finding new ways of expressing themselves, but it is impossible to foresee the forms that these new expressive methods will take. The bill does not intend either to freeze the scope of copyrightable technology or to allow unlimited expansion into areas completely outside the present congressional intent. Section 102 implies neither that that subject matter is unlimited nor that new forms of expression within that general area of subject matter would necessarily be unprotected.

The historic expansion of copyright has also applied to forms of expression which, although in existence for generations or centuries, have only gradually come to be recognized as creative and worthy of protection. The first copyright statute in this country, enacted in 1790, [52] designated only "maps, charts, and books"; major forms of expression such as music, drama, and works of art achieved specific statutory recognition only in later enactments. Although the coverage of the present statute is very broad, and would be broadened further by the explicit recognition of all forms of choreography, there are unquestionably other areas of existing subject matter that this bill does not propose to protect but that future Congresses may want to.

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Fixation in tangible form

As a basic condition of copyright protection, the bill perpetuates the existing requirement that a work be fixed in a "tangible medium of expression," and adds that this medium may be one "now known or later developed," and that the fixation is sufficient if the work "can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." This broad language is intended to avoid the artificial and largely unjustifiable distinctions, derived from cases such as *White-Smith Publishing Co. v. Apollo Co.*, 209 U.S. 1 (1908), under which statutory copyrightability in certain cases has been made to depend upon the form or medium in which the work is fixed. Under the bill it makes no difference what the form, manner, or medium of fixation may be — whether it is in words, numbers, notes, sounds, pictures, or any other graphic or symbolic indicia, whether embodied in a physical object in written, printed, photographic, sculptural, punched, magnetic or any other stable form, and whether it is capable of perception directly or by means of any machine or device "now known or later developed."

Under the bill, the concept of fixation is important since it not only determines whether the provisions of the statute apply to a work, but it also represents the dividing line between common law and statutory protection. As will be noted in more detail in connection with section 301, an unfixed work of authorship, such as an improvisation or an unrecorded choreographic work, performance, or broadcast, would continue to be subject to protection under State common law or statute, but would not be eligible for Federal statutory protection under section 102.

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The bill seeks to resolve, through the definition of "fixation" in section 101, the status of live broadcasts — sports, news coverage, live performances of music, etc. — that are reaching the public in unfixed form but that are simultaneously being recorded. When a football game is being covered by four television cameras, with a director guiding the activities of the four cameramen and choosing which of their electronic images are sent out to the public and in what order, there is little doubt that what the cameramen and the director are doing constitutes "authorship." The further question to be considered is whether there has been a fixation. If the images and sounds to be broadcast are first recorded (on a video tape, film, etc.) and then transmitted, the recorded work would be considered a "motion picture" subject to statutory protection against unauthorized reproduction or retransmission of the broadcast. If the program content is transmitted live to the public while being recorded at the same time, the case would be treated the same; the copyright owner would not be forced to rely on common law rather than statutory rights in proceeding against an infringing user of the live broadcast.

Thus, assuming it is copyrightable — as a "motion picture" or "sound recording," for example — the content of a live transmission should [53] be accorded statutory protection if it is being recorded simultaneously with its transmission. On the other hand, the definition of "fixation" would exclude from the concept purely evanescent or transient reproductions such as those projected briefly on a screen, shown electronically on a television or other cathode ray tube, or captured momentarily in the "memory" of a computer.

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Under the first sentence of the definition of "fixed" in section 101, a work would be considered "fixed in a tangible medium of expression" if there has been an authorized embodiment in a copy or phonorecord and if that embodiment "is sufficiently permanent or stable" to permit the work "to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration." The second sentence makes clear that, in the case of "a work consisting of sounds, images, or both, that are being transmitted," the work is regarded as "fixed" if a fixation is being made at the same time as the transmission.

Under this definition "copies" and "phonorecords" together will comprise all of the material objects in which copyrightable works are capable of being fixed. The definitions of these terms in section 101, together with their usage in section 102 and throughout the bill, reflect a fundamental distinction between the "original work" which is the product of "authorship" and the multitude of material objects in which it can be embodied. Thus, in the sense of the bill, a "book" is not a work of authorship, but is a particular kind of "copy." Instead, the author may write a "literary work," which in turn can be embodied in a wide range of "copies" and "phonorecords," including books, periodicals, computer punch cards, microfilm, tape recordings, and so forth. It is possible to have an "original work of authorship" without having a "copy" or "phonorecord" embodying it, and it is also possible to have a "copy" or "phonorecord" embodying something that does not qualify as an "original work of authorship." The two essential elements — original work and tangible object — must merge through fixation in order to produce subject matter copyrightable under the statute.

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Categories of copyrightable works

The second sentence of section 102 lists seven broad categories which the concept of "works" of "authorship" is said to "include." The use of the word "include," as defined in section 101, makes clear that the listing is "illustrative and not limitative," and that the seven categories do not necessarily exhaust the scope of "original works of authorship" that the bill is intended to protect. Rather, the list sets out the general area of copyrightable subject matter, but with sufficient flexibility to free the courts from rigid or outmoded concepts of the scope of particular categories. The items are also overlapping in the sense that a work falling within one class may encompass works coming within some or all of the other categories. In the aggregate, the list covers all classes of works now specified in section 5 of title 17; in addition, it specifically enumerates "pantomimes and choreographic works".

Of the seven items listed, four are defined in section 101. The three undefined categories — "musical works," "dramatic works," and "pantomimes and choreographic works" — have fairly settled meanings. There is no need, for example, to specify the copyrightability of electronic or concrete music in the statute since the form of a work would no longer be of any importance, nor is it necessary to specify that [54] "choreographic works" do not include social dance steps and simple routines.

The four items defined in section 101 are "literary works," "pictorial, graphic, and sculptural works," "motion pictures and audiovisual works", and "sound recordings."

In each of these cases, definitions are needed not only because the meaning of the term itself is unsettled but also because the distinction between "work" and "material object" requires clarification. The term "literary works" does not connote any criterion of literary merit or qualitative value: it includes catalogs, directories, and similar factual, reference, or instructional works and compilations of data. It also includes computer data bases, and computer programs to the extent that they incorporate authorship in the programmer's expression of original ideas, as distinguished from the ideas themselves.

Correspondingly, the definition of "pictorial, graphic, and sculptural works" carries with it no implied criterion of artistic taste, aesthetic value, or intrinsic quality. The term is intended to comprise not only "works of art" in the traditional sense but also works of graphic art and illustration, art reproductions, plans and drawings, photographs and reproductions of them, maps, charts, globes, and other cartographic works, works of these kinds intended for use in advertising and commerce, and work of "applied art." There is no intention whatever to narrow the scope of the subject matter now characterized in section 5(k) as "prints or labels used for articles of merchandise." However, since this terminology suggests the material object in which a work is embodied rather than the work itself, the bill does not mention this category separately.

In accordance with the Supreme Court's decision in *Mazer* v. *Stein*, 347 U.S. 201 (1954), works of "applied art" encompass all original pictorial, graphic, and sculptural works that are intended to be or have been embodied in useful

articles, regardless of factors such as mass production, commercial exploitation, and the potential availability of design patent protection. The scope of exclusive rights in these works is given special treatment in section 113, to be discussed below.

The Committee has added language to the definition of "pictorial, graphic, and sculptural works" in an effort to make clearer the distinction between works of applied art protectable under the bill and industrial designs not subject to copyright protection. The declaration that "pictorial, graphic, and sculptural works" include "works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned" is classic language: it is drawn from Copyright Office regulations promulgated in the 1940's and expressly endorsed by the Supreme Court in the *Mazer* case.

The second part of the amendment states that "the design of a useful article . . . shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article." A "useful article" is defined as "an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information." This part of the amendment is an adaptation of language added to the Copy-[55]right Office Regulations in the mid-1950's in an effort to implement the Supreme Court's decision in the *Mazer* case.

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In adopting this amendatory language, the Committee is seeking to draw as clear a line as possible between copyrightable works of applied art and uncopyrighted works of industrial design. A two-dimensional painting, drawing, or graphic work is still capable of being identified as such when it is printed on or applied to utilitarian articles such as textile fabrics, wallpaper, containers, and the like. The same is true when a statute or carving is used to embellish an industrial product or, as in the *Mazer* case, is incorporated into a product without losing its ability to exist independently as a work of art. On the other hand, although the shape of an industrial product may be aesthetically satisfying and valuable, the Committee's intention is not to offer it copyright protection under the bill. Unless the shape of an automobile, airplane, ladies' dress, food processor, television set, or any other industrial product contains some element that, physically or conceptually, can be identified as separable from the utilitarian aspects of that article, the design would not be copyrighted under the bill. The test of separability and independence from "the utilitarian aspects of the article" does not depend upon the nature of the design — that is, even if the appearance of an article is determined by esthetic (as opposed to functional) considerations, only elements, if any, which can be identified separately from the useful article as such are copyrightable. And, even if the three-dimensional design contains some such element (for example, a carving on the back of a chair or a floral relief design on silver flatware), copyright protection would extend only to that element, and would not cover the over-all configuration of the utilitarian article as such.

H.R. Rep. No. 1476

A special situation is presented by architectural works. An architect's plans and drawings would, of course, be protected by copyright, but the extent to which that protection would extend to the structure depicted would depend on the circumstances. Purely non-functional or monumental structures would be subject to full copyright protection under the bill, and the same would be true of artistic sculpture or decorative ornamentation or embellishment added to a structure. On the other hand, where the only elements of shape in an architectural design are conceptually inseparable from the utilitarian aspects of the structure, copyright protection for the design would not be available.

The Committee has considered, but chosen to defer, the possibility of protecting the design of typefaces. A "typeface" can be defined as a set of letters, numbers, or other symbolic characters, whose forms are related by repeating design elements consistently applied in a notational system and are intended to be embodied in articles whose intrinsic utilitarian function is for use in composing text or other cognizable combinations of characters. The Committee does not regard the design of typeface, as thus defined, to be a copyrightable "pictorial, graphic, or sculptural work" within the meaning of this bill and the application of the dividing line in section 101.

Enactment of Public Law 92-140 in 1971 marked the first recognition in American copyright law of sound recordings as copyrightable works. As defined in section 101, copyrightable "sound recordings" are original works of authorship comprising an aggregate of . . .

* * *

H.R. Rep. No. 1476

[116] SECTION 117. COMPUTER USES

As the program for general revision of the copyright law has evolved, it has become increasingly apparent that in one major area the problems are not sufficiently developed for a definitive legislative solution. This is the area of computer uses of copyrighted works: the use of a work "in conjunction with automatic systems capable of storing, processing, retrieving, or transferring information." The Commission on New Technological Uses is, among other things, now engaged in making a thorough study of the emerging patterns in this field and it will, on the basis of its findings, recommend definitive copyright provisions to deal with the situation.

Since it would be premature to change existing law on computer uses at present, the purpose of section 117 is to preserve the status quo. It is intended neither to cut off any rights that may now exist, nor to create new rights that might be denied under the Act of 1909 or under common law principles currently applicable.

The provision deals only with the exclusive rights of a copyright owner with respect to computer uses, that is, the bundle of rights specified for other types of uses in section 106 and qualified in sections 107 through 116 and 118. With respect to the copyrightability of computer programs, the ownership of copyrights in them, the term of protection, and the formal requirements of the remainder of the bill, the new statute would apply.

H.R. Rep. No. 1476

Under section 117, an action for infringement of a copyrighted work by means of a computer would necessarily be a federal action brought under the new title 17. The court, in deciding the scope of exclusive rights in the computer area, would first need to determine the applicable law, whether State statutory or common law or the Act of 1909. Having determined what law was applicable, its decision would depend upon its interpretation of what that law was on the point on the day before the effective date of the new statute.

* * *

[122] *Contributions to collective works*

Subsection (c) of section 201 deals with the troublesome problem of ownership of copyright in contributions to collective works, and the relationship between copyright ownership in a contribution and in the collective work in which it appears. The first sentence establishes the basic principle that copyright in the individual contribution and copyright in the collective work as a whole are separate and distinct, and that the author of the contribution is, as in every other case, the first owner of copyright in it. Under the definitions in section 101, a "collective work" is a species of "compilation" and, by its nature, must involve the selection, assembly, and arrangement of "a number of contributions." Examples of "collective works" would ordinarily include periodical issues, anthologies, symposia, and collections of the discrete writings of the same authors, but not cases, such as a composition consisting of words and music, a work published with illustrations or front matter, or three one-act

plays, where relatively few separate elements have been brought together. Unlike the contents of other types of "compilations," each of the contributions incorporated in a "collective work" must itself constitute a "separate and independent" work, therefore ruling out compilations of information or other uncopyrightable material and works published with editorial revisions or annotations. Moreover, as noted above, there is a basic distinction between a "joint work," where the separate elements merge into a unified whole, and a "collective work," where they remain unintegrated and disparate.

The bill does nothing to change the rights of the owner of copyright in a collective work under the present law. These exclusive rights extend to the elements of compilation and editing that went into the collective work as a whole, as well as the contributions that were written for hire by employees of the owner of the collective work, and those copyrighted contributions that have been transferred in writing to the owner by their authors. However, one of the most significant aims of the bill is to clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions.

The second sentence of section 201(c), in conjunction with the provisions of section 404 dealing with copyright notice, will preserve the author's copyright in a contribution even if the contribution does not bear a separate notice in the author's name, and without requiring any unqualified transfer of rights to the owner of the collective work. This is coupled with a presumption that, unless there has been an express transfer of more, the owner of the collective work acquires "only the privilege of reproducing and distributing

the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."

The basic presumption of section 201(c) is fully consistent with present law and practice, and represents a fair balancing of equities. At the same time, the last clause of the subsection, under which the privilege of republishing the contribution under certain limited circumstances would be presumed, is an essential counterpart of the basic presumption. Under the language of this clause a publishing company could reprint a contribution from one issue in a later issue of its magazine, and could reprint an article from a 1980 edition of an encyclopedia in a 1990 revision of it; the publisher could not revise the contri-[123]bution itself or include it in a new anthology or an entirely different magazine or other collective work.

Transfer of ownership

The principle of unlimited alienability of copyright is stated in clause (1) of section 201(d). Under that provision the ownership of a copyright, or of any part of it, may be transferred by any means of conveyance or by operation of law, and is to be treated as personal property upon the death of the owner. The term "transfer of copyright ownership" is defined in section 101 to cover any "conveyance, alienation, or hypothecation," including assignments, mortgages, and exclusive licenses, but not including nonexclusive licenses. Representatives of motion picture producers have argued that foreclosures of copyright mortgages should not be left to varying State laws, and that the statute should establish a Federal foreclosure system. However, the benefits of such a

system would be of very limited application, and would not justify the complicated statutory and procedural requirements that would have to be established.

Clause (2) of subsection (d) contains the first explicit statutory recognition of the principle of divisibility of copyright in our law. This provision, which has long been sought by authors and their representatives, and which has attracted wide support from other groups, means that any of the exclusive rights that go to make up a copyright, including those enumerated in section 106 and any subdivision of them, can be transferred and owned separately. The definition of "transfer of copyright ownership" in section 101 makes clear that the principle of divisibility applies whether or not the transfer is "limited in time or place of effect," and another definition in the same section provides that the term "copyright owner," with respect to any one exclusive right, refers to the owner of that particular right. The last sentence of section 201(d)(2) adds that the owner, with respect to the particular exclusive right he or she owns, is entitled "to all of the protection and remedies accorded to the copyright owner by this title." It is thus clear, for example, that a local broadcasting station holding an exclusive license to transmit a particular work within, holding a particular geographic area and for a particular period of time, could sue, in its own name as copyright owner, someone who infringed that particular exclusive right.

Subsection (e) provides that when an individual author's ownership of a copyright, or of any of the exclusive rights under a copyright, have not previously been voluntarily transferred, no action by any governmental body or other

official or organization purporting to seize, expropriate, transfer, or exercise rights of ownership with respect to the copyright, or any of the exclusive rights under a copyright, shall be given effect under this title.

The purpose of this subsection is to reaffirm the basic principle that the United States copyright of an individual author shall be secured to that author, and cannot be taken away by any involuntary transfer. It is the intent of the subsection that the author be entitled, despite any purported expropriation or involuntary transfer, to continue exercising all rights under the United States statute, and that the governmental body or organization may not enforce or exercise any rights under this title in that situation.

* * * *

FINAL REPORT OF THE NATIONAL COMMISSION ON NEW TECHNOLOGICAL USES OF COPYRIGHTED WORKS (CONTU) (1978), pp. viii, 12, 40

NATIONAL COMMISSION ON NEW TECHNOLOGICAL USES OF COPYRIGHTED WORKS
(CONTU)

Tel: (202) 557-0996 Washington, D.C. 20558

July 31, 1978

President Jimmy Carter
The White House
Washington, D.C. 20500

Dear Mr. President:

It is my pleasure to transmit to you the final report of the National Commission on New Technological Uses of Copyrighted Works.

During its term of existence the Commission has sought to fulfill its statutory charter of making recommendations which recognize the legitimate interests of copyright proprietors in controlling the uses to which their works are put and in improving public access and availability to those works. I believe the conclusions contained in this report strike that balance.

For me and all of my fellow Commissioners, participation in the work of the Commission has been an exciting challenge. It has been a real and significant opportunity to

help make the Copyright Law effective in an overall national information policy dealing with present and coming advances in computer and reprographic technology.

Respectfully submitted,

Stanley H. Fuld
Chairman

* * *

CONTU Report

[12] . . . reached the opposite conclusion, and an Australian report considered computer issues outside its terms of reference.[45]

The Commission also believes that the effects of the recommendations pertaining to computer programs made in this report, as well as those pertaining to the other computer-related subjects within the Commission's jurisdiction, should be periodically reviewed. This could be accomplished on a smaller scale than that undertaken by the Commission but should be performed well and often enough to prevent the copyright law from becoming as anachronistic as did the 1909 Act.

The Commission is unanimous in its belief that computer programs are entitled to legal protection. But the unanimity has not extended to the precise form that protection should take.[46] The law as it exists today with respect to the protection of computer programs is not totally clear. What is clear is that today there are different and often conflicting methods used by proprietors to attempt to protect their products. These include patent and copyright — exclusively federal statutory methods; trade secret law — derived from statutory and judicial state law; and unfair competition — based on elements of common law and federal statute.[47]

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45. KEYES AND BRUNET, COPYRIGHT IN CANADA: Proposals for a Revision of the Law (1977); Report of the Copyright Law Committee on Reprographic Reproduction (1976).

46. See this chapter for the separate opinions of Commissioners Nimmer, Hersey, and Karpatkin.

47. See this chapter under Copyright and Other Methods Compared.

CONTU Report

To provide reasonable protection for proprietors without unduly burdening users of programs and the general public, the following statements concerning program copyright ought to be true:

1. Copyright should proscribe the unauthorized copying of these works.

2. Copyright should in no way inhibit the rightful use of these works.

3. Copyright should not block the development and dissemination of these works.

4. Copyright should not grant anyone more economic power than is necessary to achieve the incentive to create.

Relatively few changes in the Copyright Act of 1976 are required to attain these objectives, and the promulgation of regulations by the Copyright Office will ease the burden of compliance for both copyright owners and users.

Recommendations For Statutory Change

To make the law clear regarding both proprietors' and users' rights, the Commission suggests that the following changes to the Copyright Act of 1976 be made:

1. That section 117 as enacted be repealed.

2. That section 101 be amended to add the following definition:

CONTU Report

A "computer program" is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result.

3. That a new section 117 be enacted as follows:

§ 117: Limitations on exclusive rights: computer programs

Notwithstanding the provisions of §106, it is not an infringement for the rightful possessor of a copy of a computer program to make or authorize the making of another copy or adaptation of that computer program *provided:*

(1) that such a new copy or adaptation is created as an essential step in the utilization of the computer program in conjunction with a machine and that it is used in no other manner, or

(2) that such new copy or adaptation is for archival purposes only and that all archival copies are destroyed in the event that continued possessions of the computer program should cease to be rightful. Any exact copies prepared in accordance with the provisions of this section may be leased, sold, or otherwise transferred, along with the copy from which such copies were prepared, only as part of the lease, sale, or other transfer of all rights in the program. Adaptations so prepared may be transferred only with the authorization of the copyright owner.

CONTU Report

The 1976 Act, without change, makes it clear that the placement of any copyrighted work into a computer is the preparation of a copy and, therefore, a potential infringement of copyright. Section 117, designed to subject . . . .

* * *

[40] Under normal circumstances, the transfer by sale or lease of a copyrighted work in computer-readable form, such as a data base, would be a meaningless transaction unless implicit in the transfer was the authorization to place or reproduce a copy in the memory unit of the transferee's computer. Any limitations on the use to be made of the copy would be a matter to be negotiated between private parties, guided by applicable public policy considerations.[167] The proprietor of a work in computer-readable form would, under any foreseeable circumstances, be able to control by contract the future disposition of machine-readable copies of his proprietary work. The proprietor of copyright in such a work would always have a valid cause of action, arising either under copyright or contract, if a reproduction of the work were entered into a computer without the proprietor's authorization, or if a transferee authorized a third party to enter a copy into the memory unit of a computer in violation

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167. Outright sale by a copyright proprietor of a copy of a protected work, rather than a lease under which the proprietor retains ownership of a copy which the lessee may use in accord with negotiated terms and conditions, normally results in a complete loss of control over the copy which has been sold. This reflects the unwillingness of courts to enforce restrictions on the alienation of property once a complete transfer of ownership interest in any item of property has been accomplished.

of the terms of a valid agreement with the proprietor. That copyright would not provide the sole right and remedy for unauthorized use of a protected work neither is unique to the protection of proprietary interests in computer-readable works nor is it a situation to be considered undesirable.[168]

Accordingly, the Commission believes that the application of principles already embodied in the language of the new copyright law achieves the desired substantive legal protection for copyrighted works which exist in machine-readable form. The introduction of a work into a computer memory would, consistent with the new law, be a reproduction of the work, one of the exclusive rights of the copyright proprietor. The unauthorized transfer of an existing machine-readable embodiment of a work could subject the violators to remedies for breach of contract. Principles of fair use would be applicable in limited instances to excuse an unauthorized input of a work into computer memory. Exemplifying such fair uses could be the creation of a copy

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168. Remedies for breach of contract, of the right being protected is not equivalent to copyright, would not be preempted under the provisions of section 301 of the new law, and would accordingly be available to one who, on the strength of a copyright interest, granted permission to another to make certain uses of the copyrighted work only to have the terms of the authorization violated. There continues to be some scope for state enforcement or proprietary rights in intellectual property under the new copyright law. See House Report, *supra* note 1. pp. 130-33. That state law rather than federal would be involved presents few real problems. The existence of parallel but not equal rights under state and federal law reflects advantages as well as disadvantages inherent in a federal policy, and generally both claims could be joined in the same federal cause of action under principles of pendent jurisdiction.

in a computer memory to prepare a concordance of a work or to perform a syntactical analysis of a work, which but for the use of a computer would require a prohibitive amount of human time and effort. To satisfy the criteria of fair use, any copies created for such research purposes should be destroyed upon completion of the research project for which they were created. Should the individual or institution carrying on this research desire to retain the copy for archival purposes or future use, it should be required to obtain permission to do so from the copyright proprietor.

* * * *

DEFINITION OF WORK MADE FOR HIRE IN THE COPYRIGHT ACT OF 1976: HEARING BEFORE THE COMM. ON THE JUDICIARY UNITED STATES SENATE, ON S. 2044, A BILL TO AMEND THE COPYRIGHT LAW REGARDING WORK FOR HIRE, 97TH CONG., 2d SESS. (1982), pp. 35, 45, 62-63, 69-70, 110-113

DEFINITION OF WORK MADE FOR HIRE IN THE COPYRIGHT ACT OF 1976

HEARING
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SEVENTH CONGRESS

SECOND SESSION
ON
S. 2044

A BILL TO AMEND THE COPYRIGHT LAW
REGARDING WORK FOR HIRE
OCTOBER 1, 1982

Serial No. J-97-146

Printed for the use of the Committee on the Judiciary

* * *

U.S. GOVERNMENT PRINTING OFFICE

* * *

WASHINGTON : 1983

Hearing on S. 2044

[35] SUPPLEMENTAL TESTIMONY REGARDING WORK FOR HIRE UNDER THE COPYRIGHT ACT

PRESENTED BY
THE AMERICAN SOCIETY OF MAGAZINE PHOTOGRAPHERS
&
THE GRAPHIC ARTISTS GUILD

I. INTRODUCTION

The American Society of Magazine Photographers and the Graphic Artists Guild would like to thank the Judiciary Committee and Senator Mathias for the opportunity to address the problem of work for hire. Our Constitution provides that, "the Congress shall have the power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries . . ." In practice, work for hire has been used to secure these exclusive rights for commissioning parties instead of the true free-lance creator. S. 2044, introduced by Senator Cochran, represents a valuable initiative in returning to the intent of our Founding Fathers.

A number of different abusive practices under work for hire were documented in our prior written submissions and the testimony given at the hearing itself on October 1, 1982. In this additional submission, we wish to deal mainly with what we believe would be a fair elaboration of S. 2044. Any bill must, of course, satisfy not only the needs of the creators, but also the needs of the purchasers of rights of usage.

Hearing on S. 2044

II. WHO BEARS THE RISK?

Before discussing remedies, we would like to examine more closely one of the publishers' central arguments — that they deserve to own the copyrights in commissioned works because such . . . .

* * *

[45] G. UNCONSCIONABLE TRANSFERS

This new statutory pattern would greatly aid creators while meeting the needs of copyright users. It should be pointed out, however, that even this proposal has some drawbacks for creators. The most noticeable is the fact that publishers can use work forever and pay only one fee — if certain conditions are met. For this reason, which stems from the general inability of the creator to negotiate on a value for value basis, we would suggest that the concept of unconscionability be added to the statute. Such a concept was present in Section 16 (Alternative B) with respect to unremunerative transfers in the 1964 Preliminary Draft. We would suggest that such a remedial concept be added as a new subdivision (f) for Section 201. It would read as follows: "(f) Unconscionable transfers. An author may, at any time following the transfer of a copyright or of any rights under it, bring suit to reform or terminate a transfer in which the profits received by the transferee or his successors in title are strikingly disproportionate to the compensation, consideration, or share received by the authors or his successors. In such action the plaintiff shall have the burden of proving that, taking into consideration all factors including

the bargaining position of the parties, their respective contributions to the success of the work, and changes in business practices or media exploitation, the terms of the transfer have proved to be unfair or grossly disadvantageous to the author. The court shall decide the action in accordance with the principles of equity, and shall have discretion to reform or terminate the transfer on whatever terms it considers just and reasonable."

V. CONCLUSION

Our proposals would, we believe, permit out members and creators generally to bargain on what will more closely approximate a value for value basis. At the same time, these proposals will . . .

* * *

[62] Summary of the Statement of
E. Gabriel Perle on Behalf of
The Magazine Publishers Association
Before the Senate Committee on the Judiciary
On S. 2044

October 1, 1982

The Magazine Publishers Association is opposed to S. 2044.

— The provisions of the Copyright Act of 1976 regarding work made for hire were the product of years of study, consultation and debate. Those provisions carefully balance and reconcile the respective interests of the parties to work made for hire relationships.

— The present law provides ample safeguards which protect writers, photographers and artists who contribute to magazines from being dealt with unfairly.

— Nothing has occurred since the effectiveness of the Copyright Act of 1976 which justifies any change in the work made for hire provisions of that law.

— S. 2044 would constitute an unwarranted interference with the Literary marketplace and the right of parties to bargain freely within that marketplace.

— S. 2044 is an unnecessary effort to correct a non-existent problem.

[63] STATEMENT OF THE
ASSOCIATION OF AMERICAN PUBLISHERS, INC.
Before The
SENATE COMMITTEE ON THE JUDICIARY
On
S. 2044

October 1, 1982

The Association of American Publishers, Inc. ("AAP") is pleased to accept the invitation of the Committee to express its views on S. 2044, as introduced by Senator Cochran on February 22, 1982. The AAP is the trade association of United States book publishers and (together with its predecessor organizations) represented the American book publishing industry during the long and delicate process of copyright law revision and implementation of the new Copyright Act.

Hearing on S. 2044

The AAP membership includes publishers of all types of books; of particular pertinence to the matter before you today, it includes principal publishers of our country's "instructional texts" and "collective works" (such as encyclopedias and dictionaries). From the AAP's point of view, the major impact of S. 2044 would be to remove these two types of books from eligibility for treatment, *with the individual author's* agreement*, as "works made for hire" under the 1976 Copyright Act. We emphasize the phrase "with the individual author's agreement" quite purposefully, for it appears to us that S. 2044 is based on a faulty premise.

* * *

[69] . . . planning and creation of the materials. During the preparatory stages, numerous individuals will participate under the publisher's supervision in assigned tasks relating to the submissions, review, revising, and reworking of manuscripts to meet detailed pedagogic and curriculum needs. Indeed, it will often be difficult to look at the final product and isolate a particular author's original contribution. And, after publication, similar processes of periodic, multiple-participant, revision will be necessary to continue meeting the needs of the teaching community.

Finally, considerations combining those just discussed for both encyclopedias and instructional texts apply to single textbooks comprised of commissioned chapters by particular specialists.

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* "Individual author," as used herein, includes artists, photographers, and others, as well as writers of text.

In these contexts, distinctions between staff employees and commissioned authors are, for purposes of the Copyright Act, illusory. In the absence of a single, identifiable copyright owner of the whole and its constituent parts, the processes of revision and updating would be severely inhibited, and the ability to adapt or license particular versions and uses (e.g., abridgements, special adaptations, foreign language editions, and — of increasing importance — microform, videoform, data base, and electronic media versions) would be significantly impaired. And subjecting discrete segments of larger interwoven units (whether paragraphs of particular entries or sections of the entire work) to myriad terminations of the publisher's rights would be virtually intolerable.

[70] These concerns are not parochial, limited to the financial fate of particular publishers. They are important elements of the publishing community's ability to meet the needs of the general, special, and educational publics for reference and instructional works: to create comprehensive, accurate, and up-to-date materials; to disseminate these materials in rapidly changing fashions that will adequately and effectively serve their purpose; and to maintain the economic incentive to continued creative effort that underlies our copyright laws.

D. "Abuses" Of Work Made For Hire?

Since the new Copyright Act came into effect in 1978, there have been occasional unsubstantiated rumblings of "Abuses" of the work made for hire provisions (a perjorative, by the way, that hardly pertains to the offering or negotiation of contracts or terms called for by legitimate business

considerations). However, we are aware of no circumstances under which the rights of individual authors are being deliberately or systematically abused or disregarded by our members. Additionally, and at the risk of repetition in part, we must point out that the revised Copyright Act already contains several safeguards for the author's interests in this connection:

- by requiring an "express agreement" that a commissioned work "be considered a work made for hire" as a condition to work made for hire treatment;

- by requiring that such an agreement be "written" and "signed" by the parties;

* * *

[110] TESTIMONY OF AMERICAN BUSINESS PRESS

American Business Press (ABP) files this testimony in opposition to S. 2044 which would exclude periodicals from the "work for hire" provision of the Copyright Act where an article is solicited by a publisher from a writer who is not an employee of the publisher. We believe enactment of S. 2044 would represent an unwarranted reversal of longstanding judicial and legislative copyright policy — as it existed both before and after enactment of the Copyright Revision Act of 1976.

ABP is a publishers' association of over 500 specialized business, technical, scientific and professional journals circulated nationally and internationally. A list of the

members of ABP is attached. The information created and published by ABP publishers is vital to key decisionmakers in every segment of American technology, industry and business. Examples of ABP periodicals include *Aviation Week and Space Technology, Datamation, Defense Electronics, Iron Age, Laser Focus, Medical Economics, Public Utilities Fortnightly, Railway Age, Telephone Engineer and Management, and Word Processing and Information Systems.*

ABP periodicals employ full-time editors who are experts in the highly specialized fields covered by these publications. Frequently, they also commission outside experts to write articles of interest to readers in order to provide better editorial coverage. The expense of publishing these outside articles is borne by the publisher.

At the present time, the publisher is presumed to own the copyright in a commissioned article as long as there is an express written agreement between the publisher and the author to that effect.

Section 101 of the current Copyright Act defines a work for hire for commissioned work as follows:

> "a work specially ordered or commissioned *for use as a contribution to a collective work*, as part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instruc-[111]tional text, as a test, as answer material for a test, or as an atlas, *if the parties expressly agree in a written instrument*

> *signed by them that the work shall be considered a work for hire.*" [Emphasis supplied.]

The foregoing section of the 1976 Act gives authors *stronger* rights to ownership of a commissioned article than they had in the pre-1976 Copyright Act. The presumption existed in the pre-1976 Act that the publisher and the author *implicitly* agreed that the *publisher* had the copyright where the publisher commissioned an article from an author. *Brattleboro Publishing Co.* v. *Winmill Puhlishing Corp.*, 369 F.2d 565, 568 (2d Cir. 1966).

Section 101 of the 1976 Act also vests ownership of the copyright of a commissioned article in the publisher, but only if there is an express written agreement between the author and the publisher to that effect. *See May* v. *Morganelli-Henmann and Associates*, 618 F.2d 1363, 1368, n.4 (Ninth Circuit 1980).

Additionally, the work for hire doctrine for commissioned works was restricted by Congress in 1976 to certain categories: collective works (periodicals), films, translations, compilations and supplements, instructional texts, tests or atlases. Other kinds of commissioned work — e.g., musical compositions and books not falling within the foregoing categories were not included as works for hire.

The report of the Senate Judiciary Committee accompanying the 1976 Act explains that the final language of the 1976 definition of works for hire was a compromise, when it stated:

Hearing on S. 2044

Works made for hire.

Section 201 (b) of the bill adopts one of the basic principles of the present law: that in the case of works made for hire the employer is considered the author of the work, and is regarded as the initial owner of copyright unless there has been an agreement otherwise. The subsection also requires that any agreement under which the employee is to own rights be in writing and signed by the parties.

The *work-made-for-hire provisions of this bill represent a carefully balanced compromise, and as such they do not incorporate the amendments proposed by screenwriters and composers for motion pictures*. Their proposal was for the recognition of something similar to the "shop right" doctrine of patent law: with some exceptions, the employer would acquire the right to use the employee's work to the extent needed for purposes of [112] his regular business, but the employee would retain all other rights as long as he refrained from authorizing competing uses. However, while this change might theoretically improve the bargaining position of screenwriters and others as a group, the practical benefits that individual authors would receive are highly conjectural. *The presumption that initial ownership rights vest in the employer for hire is well established in American copyright law, and to exchange it for the uncertainties of the shop*

> *right doctrine would not only be of dubious value to employers and employees alike, but might also reopen a number of other issues.*
>
> *The status of works prepared on special order or commission was a major issue in the development of the definition of "works made for hire" in section 101, which has undergone extensive revision during the legislative process.* The basic problem is how to draw a statutory line between those works written on special order or commission that should be considered as "works made for hire," and those that should not. The definition now provided by the bill represents a compromise which, in effect, spells out those specific categories of commissioned works that can be considered "works made for hire" under certain circumstances. [Emphasis supplied.]

Under the 1976 Act, an author commissioned to write an article can veto the publisher's copyright by not signing a work for hire agreement. It is difficult to see what practical purpose[1] is served by S.2044 other than to upset a carefully crafted compromise.

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[1] The elimination of periodicals from the work for hire provision also would mean that after 35 years, copyright in a commissioned article would revert to the author, where the author originally assigned copyright to the publisher. Permitting authors to claim copyright after 35 years in an article originally commissioned by the publisher hardly seems worth disrupting the balance Congress wished to maintain between publishers and authors.

It is the *publisher* who conceives of the need for a work for hire article, pays for its physical production and for its delivery to the reader. Publication of the article provides recognition for the author among his professional peers and the public, a benefit not to be lightly dismissed. The work for hire doctrine promotes the dissemination of important scientific, business and technical information. As database publishing becomes more common, there should not be impediments to the publisher's flexibility to determine how articles can best be [113] distributed to the public. S. 2044 will only discourage the use of outside articles and will result in a smaller quantity of needed information at a time of rapid technological change.

We urge the subcommittee to recommend that S. 2044 not be enacted into law. It is piecemeal legislation which is unfair to publishers who provide an opportunity to writers for publication which otherwise might not exist. There is no reason to change the principle, long-embodied in copyright law, that the work of an independent contractor specially commissioned to contribute an article should be treated as an article written by a staff editor.

Both staff written articles and commissioned articles are created by the financial investment and creative inspiration of the publisher. Both are works for hire. The present statute should not be changed.

Hearing on S. 2044

Respectfully submitted,

s/ Robert A. Saltzstein
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S. 2138, 98TH CONG., 1ST SESS. (1983)

S. 2138

98TH CONGRESS
1ST SESSION

To amend the copyright law regarding work for hire.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 18 (legislative day, NOVEMBER 14), 1983

Mr. COCHRAN introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend the copyright law regarding work for hire.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 of title 17, United States Code, is amended—

(1) by amending clause (2) of the definition of "work made for hire" to read as follows:

"(2) a work specially ordered or commissioned for use as a part of a motion picture, as a translation, as a compilation, as a test, as answer material for a test, as an atlas, as a map, as a chart, as a table, as editorial

notes, as a musical arrangement, as a bibliography, or as an index, if the parties expressly agree in a written instrument limited to a single work and signed by them prior to the commencement of any work pursuant to such an order or commission that the work shall be considered a work made for hire.";

(2) by inserting after the definition of "anonymous work" and before the definition of "audiovisual works", the following new paragraph:

"An 'atlas' is a bound collection of maps.";

(3) by adding before the period in the second sentence of the definition of "compilation" the following:

", but does not include contributions to such collective works".

SEC. 2. Section 201 of title 17, United States Code, is amended—

(1) by inserting at the end of subsection (b) the following: "For purposes of this subsection, a party who fails to withhold the proper tax from wages pursuant to the requirements of sections 3102 and 3402 of the Internal Revenue Code of

1954 (26 U.S.C. 3102 and 3402), shall be presumed not to be an employer."; and

(2) by amending subsection (c) to read as follows:

"(c) CONTRIBUTIONS TO COLLECTIVE WORKS, CONTRIBUTIONS TO COMPILATIONS, SUPPLEMENTARY WORKS, INSTRUCTIONAL TEXTS, AND PARTS OF AUDIOVISUAL WORKS OTHER THAN MOTION PICTURES.—Copyright in each separate contribution to a collective work, in each separate contribution to a compilation, in any supplementary work, in any instructional text, and in any part of an audiovisual work other than a motion picture, is distinct from the copyright in the larger or revised work as a whole, and vests initially with the author who created the work which is to be incorporated into the larger or revised work. In the absence of an express transfer of the copyright or of any rights under it, the owner of the copyright in such larger or revised work is presumed to have acquired only the privilege of reproducing and distributing the author's work as part of such particular larger or revised work, any revision of such larger or revised work, and any later larger or revised work in the same series. If an express transfer is made with respect to an author's work in one of these categories, such transfer shall be in a written instrument specifically enumerating each right being acquired and the consideration paid for that right and shall be signed by both parties. Such enumerated rights shall not exceed the rights

which the transferee reasonably anticipates exercising. In the event that any enumerated rights have not been exercised within two years after the first publication by the transferee or such transferee's successor in interest with respect to any right acquired, such unexercised rights shall be held by the transferee or such transferee's successor in interest as nonexclusive and the author shall not be restricted from and shall have the right to transfer such rights on a nonexclusive basis, provided that any party holding nonexclusive rights pursuant to this subsection shall be treated as holding exclusive rights for the purposes of section 501 with any judgment to be divided among the parties as the court in its discretion determines. A transfer by an author in one of the categories covered hereunder shall not be terminable by the author pursuant to section 203(a)(3) if a written contract signed by both parties prior to the commencement of the work specifically enumerates certain rights which may not be so terminated. For purposes of this subsection—

> "(1) an 'instructional text' means a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities; and
>
> "(2) a 'supplementary work' is a work prepared for publication as a

secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forwards, afterwords, pictorial illustrations, or appendixes. If a work is created under a work made for hire agreement pursuant to clause (2) of the definition of a work made for hire, it shall not be deemed a supplementary work for purposes of this section."; and

(3) by adding at the end of section 201 the following new subsection:

"(f) UNJUST ENRICHMENT.—With respect to those categories of works enumerated in subsection (c), an author may, at any time following the transfer of a copyright or of any rights under such copyright, bring an action to reform or terminate a transfer in which the profits received by the transferee or his successors in title are strikingly disproportionate to the compensation, consideration, or share received by the author or his successors. In such action the plaintiff shall have the burden of proving that, taking into consideration all factors including the bargaining position of the parties and their

respective contributions to the financial success of the work, the terms of the transfer have proven to be unfair or grossly disadvantageous to the author. The court shall decide the action in accordance with the principles of equity, and shall have discretion to reform or terminate the transfer on whatever terms it considers just and reasonable.".

SEC. 3. Section 202 of title 17, United States Code, is amended by striking out all after the semicolon in the second sentence and inserting in lieu thereof the following: "nor, in the absence of a written agreement expressly conveying property rights in a material object, does transfer of ownership of a copyright or of any exclusive rights under a copyright or the entering into of a work made for hire agreement pursuant to clause (2) of the work made for hire definition convey property rights in any material object.".

SEC. 4. Section 203(a) of title 17, United States Code, is amended by inserting in the first sentence after "work made for hire," the following: "or in the case of any transfer or license other than one which may not be terminated pursuant to the provisions of section 201(c)."

129 CONG. REC. 34,442 (1983)

CONGRESSIONAL RECORD—SENATE

34442 *November 18, 1983*

* * *

By Mr. COCHRAN:

S. 2138. A bill to amend the copyright law regarding work for hire: to the Committee on the Judiciary.

AMENDMENT OF THE COPYRIGHT LAW REGARDING WORK FOR HIRE

Mr. COCHRAN. Mr. President, today I am introducing legislation to amend the copyright laws to protect more effectively the work product of writers, artists, photographers, composers, and other such creators of works of art.

During the last Congress, I introduced S. 2044 after Bern Keating of Greenville, Miss., founder and past president of the Travel Journalists Guild, expressed to me the concern of his organization's membership about industry abuse of the work-for-hire laws. The bill proposed to exclude certain types of works from coverage of

34443 *November 18, 1983*

work-for-hire arrangements. Last fall Senator MATHIAS chaired a hearing of the Judiciary Committee to review S. 2044 and to examine industry practices. Representatives

of the Graphic Artists Guild, the Authors League of America, and the American Society of Journalists and Authors testified, as did representatives of the publishing industry.

Since that time, I have continued to work with Bern Keating, and members of the Graphic Artists Guild, to develop a better proposal for consideration by this Congress. Supporting the Graphic Artists Guild in its desire to reform the work-for-hire laws is a coalition of over 40 artist and writer groups representing more than 40,000 creators. I ask unanimous consent that the list be printed in the RECORD at the conclusion of my remarks.

Under present law, a work may be deemed a work made for hire if it is: First, a work prepared by an employee within the scope of his or her employment or, second, a certain type of work specially commissioned if the parties expressly agree in a written instrument signed by them that the work will be considered a work made for hire. Specially commissioned works are limited to those enumerated in the definition which includes contributions to collective works, motion pictures and audiovisuals, instructional texts, and others.

The significance of whether or not a work is a work made for hire is that when a work is made for hire, the creator is no longer the author for copyright purposes, but rather, the employer or the commissioning party is the author and receives all future income that may be derived from any use in any medium.

This presents less of a problem for employees who may lose authorship of their work but are deemed to be rewarded

by the terms of their employment provision of a salary and fringe benefits, a workplace, and tools and materials of their trade.

Freelance creators enjoy none of the security and benefits associated with employee status, are compensated only for the intended use of the copyrighted work, and are further cut-off from any other income generated by the subsequent use of their work. Because publishers enjoy a superior bargaining position, they are able to demand a work-for-hire contract as a condition of publication.

A striking example of the effect of work-for-hire on one graphic artist, Robin Brickman, was presented to the Judiciary Committee. Ms. Brickman testified that she was commissioned to do 27 black and white interior illustrations for the book, "Wildlife Stories of Faith McNulty," for $2,000. Although she tried to negotiate for a limited use contract and more money, she was told that she either sign the work-for-hire agreement or not get the job. She needed to work and signed the agreement. Later, the publisher chose one of her illustrations for the book jacket and added color. The cover was reprinted in the Washington Post and a nature magazine. Ms. Brickman received no additional compensation, nor was she consulted about the alteration of her work.

The theory of the work-for-hire doctrine is that the employer or commissioning party is entitled to authorship of the work because he conceives, directs, and controls the production of the work and bears the financial risks of development. While this argument is a strong one for works

prepared by an employee in the course of his employment, it holds little water for many freelancers who conceive and develop a work in their own studios. Yet artists, writers and others complain that work-for-hire contracts are forced even when the publisher exercises little or no control over the production of the work. And in many instances, work-for-hire agreements are demanded after a work has already been created—sometimes by use of a restrictive endorsement on a payment check, a practice clearly outside the intent of the work-for-hire laws.

Mr. President, the legislation I am introducing attempts to address these inequities. While work-for-hire agreements may be appropriate for minor works, charts, indexes and the like, our work for hire laws currently cover such works as magazine articles, photographs, illustrations, contributions to journals, newspapers, and anthologies, and numerous other types of works.

This legislation proposes to delete from the types of works which can be treated as works made for hire: first, a contribution to a collective work, second, an audiovisual other than a motion picture, third, a supplementary work, and fourth, an instructional text. These works would be subject to the copyright law's provision for a limited rights transfer. Parties would be free to contract any rights to be purchased, but my bill proposes that each right to be purchased be enumerated in the contract with the consideration to be paid for each right stated. Provision is made for the purchase of a non-terminable right, and rights acquired but not exercised within 2 years after the first publication would become nonexclusive. Such a structure

for contracting would insure that both parties are aware of what rights are being purchased and for what price. Additionally, rights unexercised by the publisher would become nonexclusive after 2 years from the first publication, enabling the creator to exercise them himself for additional revenue.

For those types of works for which work-for-hire agreements would continue to be available, my bill would require that the work-for-hire contract be entered into prior to the commencement of the work.

Additionally, provision is made for an unjust enrichment action by a creator when the consideration paid is strikingly disproportionate to the profits received. The plaintiff, however, would bear the burden of proof.

The bill also proposes to amend section 202 to require a written instrument to transfer ownership of the physical object, original art, from the creator to the publisher. Aside from the value of the copyright, a photograph, illustration, manuscript, or the like may be valuable in itself, and it represents another source of income for its creator.

Finally, the bill proposes to clarify the definition of employee by basing the determination of the employee-employer relationship on compliance with the withholding requirements of the Federal taxation laws.

Mr. President, there is considerable interest in the country that the Congress address the rights of artists and the inequities of work for hire. State legislatures and city

councils have begun to enact legislation on these very issues. State legislative enactments include work for hire, moral rights, and fair practices legislation. Moral rights legislation prohibits the alteration or mutilation of artwork and gives recognition to the artist's interest in his work after its sale. Fair practices legislation involves the transfer of ownership in the physical object, and, like my bill, requires a written instrument to effect such a transfer.

The New York and California State Legislatures have enacted moral rights and fair practices legislation. And the Oregon State Legislature has enacted a fair practices bill. Similar legislation has been introduced in Massachusetts and will be introduced in Alaska next year.

Additionally, the California State Legislature has enacted work-for-hire legislation that entitles a creator working under a work-for-hire agreement to employee benefits.

Finally, just this year the New York City Council passed a resolution calling on the U.S. Congress to take action on the issue of work for hire. Similar resolutions were passed by the Detroit and Providence, R.I. City Councils as well.

Mr. President, our copyright laws were enacted to promote and protect the creation of literary, artistic, musical, and other works. Yet our work-for-hire laws are depriving all artists, not only the new, young creators, of much of the income generated by their work, and, in many cases, are forcing them to abandon their careers. Society will be deprived inevitably of the richness that diversity of style and interpretation bring to literary and artistic expression unless Congress acts.

129 Cong. Rec. 34,442 (1983)

I urge my colleagues on the Judiciary Committee to continue their study of this very important issue and to schedule hearings on this legislation when Congress reconvenes next year.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS OPPOSING WORK FOR HIRE

Advertising Photographers Association.
American Federation of Television and Radio Artists.
American Society of Magazine Photographers.
Art Directors Club of New York.
Art Directors Club of Salt Lake City.
Artists Equity Association of New York.
Artists in Print.
Association of American Editorial Cartoonists.
Association of Medical Illustrators.
Association of Science Fiction Artists.
Boston Visual Artists Union.
Cartoonists Guild.
Comic Book Creators Guild.
Council of Writers Organizations.
American Society of Journalists and Authors.
Aviation/Space Writers Association.
Eastern Ski Writers.
Eastern Freelancers Association.
Garden Writers Association of America.
The I.B.W.
International Motor Press Association.
Media Alliance.
National Association of Science Writers.

129 Cong. Rec. 34,442 (1983)

National Book Critics Circle.
Outdoor Writers Association of America.
Science Fiction Writers of America.
Society of American Travel Writers.
Travel Journalists Guild.
Washington Independent Writers.
Foundation for the Community of Artists.
Graphic Artists Guild.
Association of Children's Book Artists and Authors.
Illustrators Discipline.
Graphic Designers Discipline.
Needleart Designers Discipline.
Textile Designers Discipline.
Independent Literary Agents Association.
Joint Ethics Committee.
National Artists Equity Association.
National Cartoonists Society.
National Writers Union.
PEN.
Screen Actors Guild.
Society of Authors Representatives.
Society of Illustrators of Los Angeles.
Society of Illustrators of New York.
Society of Illustrators of San Francisco.
Society of Photographers and Artists Representatives.

* * *

130 CONG. REC. 17,729 (1984)

CONGRESSIONAL RECORD — HOUSE

June 21, 1984 17729

* * *

By Mr. FRANK:

H.R. 5911. A bill to amend the copyright law regarding work for hire: to the Committee on the Judiciary.

* * * *

LEGISLATIVE HISTORY EXCERPTS, APPENDIX A TO BRIEF OF FOUR PLAINTIFFS-APPELLANTS JONATHAN TASINI, MARY KAY BLAKELY, MARGOT MIFFLIN AND DAVID S. WHITFORD, UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT, DATED FEBRUARY 3, 1998

1961 DRAFT

As introduced in 1961 by Abraham L. Kaminstein, then the Register of Copyrights, the Copyright Office recommended that:

> [t]he statute should provide that copyright may be secured by the author or his representatives, successors, or assigns, except that —
>
> (a) In the case of a work made for hire (defined as a work created for an employer by an employee within the regular scope of his employment), the employer should have the right to secure copyright.
>
> (b) In the case of a periodical, encyclopedia, or other composite work containing the contributions of a number of authors, the publisher should have the right to secure copyright. The copyright secured by the publisher in the composite work as a whole should cover all of the contributions not separately copyrighted; but the publisher should be deemed to hold in trust for the author all rights in the author's contribution, except the right to publish it in a similar composite work and any other rights expressly assigned.

Register of Copyrights for the House Comm. on Judiciary, 87th Cong., 1st Sess., *Copyright Law Revision* 88 (Comm. Print 1961) (hereinafter "1961 Report").

1961 REPORT

The 1961 Report explains the recommended language, as follows:

> When the component parts of a composite work are created by the publisher's employees, the publisher acquires the rights in each part as employer. But when the component parts are contributed by independent authors, each author is the initial owner of his contribution, and the publisher must acquire his rights by assignment.
>
> * * *
>
> However, the author of a contribution may not have assigned all of his rights to the publisher. And in some cases there is no express agreement between then as to the assignment of rights. We propose that the rights not assigned should be held by the publisher in [2] trust for the author. And in the absence of any express agreement, only the right to publish the contribution in a composite work like that of the publisher should be deemed to have been assigned.

Id. at 87.

Legislative History Excerpts

1962 DEBATES

During a January 24, 1962 debate on that recommendation, Barbara Ringer, then the Assistant Register of Copyrights, explained that the report:

> recommends that the publisher should have the right to secure copyright in the work as a whole. Bear in mind, this is leaving aside the entire question of notice. This involves ownership only. With respect to the ownership of contributions to composite works, the report recommends that this very nebulous question be clarified, and that the publisher would be deemed . . .
>
> * * *
>
> to hold in trust for the author all rights in the author's contribution, except the right to publish it in a similar composite work, and any other rights expressly assigned.

Register of Copyrights for the House Comm. on Judiciary, 88th Cong., 1st Sess., *Copyright Law Revision, Part 2* 144 (Comm. Print 1963).

Mrs. Harriet Pilpel (a representative of magazine authors and photographers) objected to the proposed language — "in the absence of any express agreement, only the right to publish a contribution in a composite work like that of the publisher should be deemed to have been assigned". She argued that all writers give "to a publisher [is] the right to

include his contribution in *that particular composite work*. There is no presumption that he gave [3] more than that. And, indeed, in my experiences, most authors do not give any more than that, except when the buyer says, 'We are buying all rights, or these rights'." *Id.* at 151. Under the language as phrased, she argued, the author would be deemed to have "assigned" all of his rights in the contribution to the publisher with only the first right to publish the contribution, thus, denying the author any rights to submit the contribution to other composite-work publishers. *Id.* at 152.

Mr. John Schulman, then the Chairman of the American Patent Law Association Committee on Copyright, recommended instead of all the "hard and fast rules" appearing in the 1961 Copyright Office's recommendations that presumptions be established:

> I think that if we thought in those terms, that certain presumptions are created from certain transactions but that they are nevertheless rebuttable presumptions, I think we'd find greater agreement on some of these protective provisions.

Id. at 152.

Mr. Irwin Karp, then a representative of the Authors League of America, agreed with both Mrs. Pilpel and Mr. Schulman:

> I think that it would simplify matters from the point of view of the author, the publisher, and anybody who is taking rights from the publisher,

> if the line of presumption were made clear. In other words, I see no objection to saying that, where a short story is published in a magazine, it should be presumed that the [4] publisher has acquired only the first serial right, or first magazine right, or whatever you call it — the right to publish in that edition — and that, in the absence of a specific assignment of other rights by the author in writing, recorded, no one would be free to presume that the publisher owned anything else, and would have to deal with the author.
>
> If the publisher wanted more, and the author were willing to give more, then they would do it by means of a specific assignment of other rights, which the publisher would then have available to record and to show to anybody who was going to deal with him with respect to these other rights. And I think the same should hold true in the case of a composite work.

Id. at 152-53.

Mr. Sydney A. Diamond, then of London Records, clarified:

> I would just like to note my general agreement with what Irwin Karp and Harriet Pilpel said about this, and to point out that I think the whole difficulty in this particular recommendation is the reference to a "similar composite work." Perhaps

> the basic intention really wasn't quite that, but was meant to apply to "that particular composite work." I think everyone would agree, then, that that was a desirable rule.

Id. at 153.

Mr. Horace S. Manges, then of the American Book Publishers Council, questioned what happens:

> if there is a revised edition of the composite work and some of the selections are omitted. Is that a composite work like that of the publisher, as referred to?

To which Irwin Karp responded:

> No, I would assume not. But you can protect yourself by adding to your voluminous contract another clause which says —
>
> > the publisher shall have the right to publish revised editions of this composite work, eliminating some of the contributions.

Id. at 153. The result of these debates was the 1963 "preliminary draft" by the Copyright Office of a revised Copyright Law.

[5] **1963 BILL**

Taking into account the debates quoted above, the 1963 preliminary draft of a revised Copyright Act defined the rights in contributions to collective works, then identified as Section 14(d), as follows:

> *Contributions to Collective Works*. Copyright in each separate contribution to a collective work — a work, such as a periodical issue of encyclopedia, combining the separate contributions of various authors into a collective whole — shall be distinct from copyright in the collective work as a whole, and shall vest initially in the author of the contribution. The owner of copyright in the collective work shall, in the absence of an express transfer of the copyright or of any exclusive rights under it, be presumed to have acquired only the privilege of publishing the contribution in that particular collective work.

Staff of House Comm. on Judiciary, 88th Cong., 2d Sess., *Copyright Law Revision, Part 3* 15 (Comm. Print 1964).

1963 DEBATES

During June 11, 1963 debates on that draft, Abe A. Goldman, then the Copyright Office's General Counsel, reported:

> Section 14(d) deals with the special case of ownership of contributions to a collective work.

The first sentence states the principle that the copyright in a contribution is distinct from the copyright in the collective work as a whole, and that the usual principle that copyright ownership begins in the author (*see* § 14(a)) applies to the contribution. That is, the author of the contribution is initially the owner of the rights in the contribution.

The second sentence deals specifically with the question of ownership as between the author of the contribution and the copyright owner — normally the publisher — of the collective work as a whole, in the absence of an express agreement between them. In the [1961] Report it was recommended that, in this situation, the publisher of the collective work would be presumed to have the right to publish the contribution in his [6] particular collective work, and in any similar collective work.

In the course of our previous discussions of that question, strong arguments were made that there should not be a presumption of transfer of ownership, in the absence of any express transfer, of the right to publish the contribution in a similar collective work. We have adopted that argument, and the second sentence provides now that, in the absence of an express transfer of the copyright or an express transfer of any particular exclusive right under it, it would be presumed that the copyright owner of the collective work would

> have acquired only the privilege of publishing the contribution in his particular collective work. The only other right he [the publisher] would acquire would be any that were transferred to him expressly.

Id. at 257-58.

Mr. Alfred H. Wasserstrom, then a representative of the Magazine Publishers Association, argued that the current custom and practice in the magazine industry was for the publisher to register the copyright in the collective work and hold the copyright in trust for the author of a contribution. He complained that the wording of § 14(d) would change that custom. *Id.* at 259.

Copyright Office General Counsel Goldman responded: "would your concern be laid to rest, Mr. Wasserstrom, if . . . a provision that copyright stems from the author, but that the publisher of the periodical, by agreement with the author and by transfer from the author, could secure whatever rights they contract for in the transfer? Wasserstrom replied, "Well, I think it would go a long way toward clarifying my objection to the way subsection (d) is presently worded", but objected to the use of the word "express" in connection with transfers. *Id.* at 259-60.

[7] Mrs. Bella L. Linden, representing the American Textbook Publishers Institute, then raised the same question about revisions that Mr. Manges had asked during the 1962 debate on the Copyright Act's 1961 proposal:

> The addition of the word "particular" [*i.e.*, *that particular collective work*] raises in my mind the question as to whether revisions of that collective work would be "that particular work" — whether a volume containing only half of the material in "that particular collective work" would therefore be excluded.

Id. at 261. Mrs. Linden received no response.

Instead, Authors League of America representative Irwin Karp responded to Mr. Wasserstrom, directly after Mrs. Linden's question about revisions:

> [a]s to Mr. Wasserstrom's comment on subsection (d), I think the draft as written reflects and clarifies what is sound practice in the publishing field. Actually, the publisher takes copyright in the individual contributions to collective works only because of a disinclination to put copyright notices on the bottom of the first page of each article or story [a remnant of § 403's harsh results that, if copyright notices are not placed on published copies of works, they devolve into the public domain]. Every reputable publisher that I know of willingly reassigns to the author, immediately after publication of the periodical, all rights except first periodical or first serial rights. And as Mr. Goldman has pointed out (and I heartily agree with him) this [rewording of § 14(d)] certainly makes it easier to carry that practice forward into the law. I really see no

> conflict between the position of the publisher and this section. They say the same thing, and this section would just make it a matter of record. It would avoid the necessity of assignments and carry out what is the agreement between most authors, publishers, and only an implied agreement. There are very few contracts between article- and story-writers and their publishers as to what's to happen. It is simply the [8] practice of the trade that, when the magazine has published, it reassigns all rights except first serial rights [to the author].

Id. at 261-262.

1964 BILL

Despite the lack of debate regarding, or in answer to, Mrs. Linden's question about whether "that particular collective work" included revisions, the 1964 draft of the copyright bill provided in Section 14(c), as follows:

> CONTRIBUTIONS TO COLLECTIVE WORKS. — Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work and any revisions of it."

Legislative History Excerpts

Staff of House Comm. on Judiciary, 89th Cong., 1st Sess., *Copyright Law Revision, Part 5* 9 (Comm. Print 1965) (hereinafter "1964 draft bill").

1964 DEBATES

During debates on the 1964 draft bill, on August 7, 1964, Magazine Publishers Association representative Wasserstrom repeated his objection to using the word "express" in connection with transfers by authors to publishers of contributions to collective works:

> This other point that I would like to address myself to is just a relatively minor one. If this second sentence [with the "express" retained] is to remain, it seems to me that there should be some clarification as to what is meant by [9] the phrase 'and any revisions to it' in connection with the reproducing and distributing of a contribution as part of a particular collective work. Treating it in the terms of this sentence, I'm not at all sure that the draftsmen intended to limit, in the absence of an express transfer, the publication on the part of the publisher to a particular issue of a particular periodical, thereby eliminating the relatively simple and generally accepted right of republication in the same periodical.

Id. at 149.

American Textbook Publishers Association representative Bella L. Linden's responded first by describing

her representation of publishers of encyclopedias, reference works and textbooks, which "in dollars-and-cents volume . . . represent 80% of the entire reference and technical field — in dollars, 800 million of a billion last year". *Id.* at 149. She then objected to the work-made-for hire section of the draft act. *Id.* at 150.

American Society of Magazine Photographers and Society of Magazine Writers representative Harriet F. Pilpel's then commented:

> There is obviously no provision of this proposed act of more importance to magazine writers and magazine photographers than section 14. Generally speaking, I think the Copyright Office has done an excellent job in setting forth what the law should be and, at the risk of disagreeing with Mr. Wasserstrom, also of what I think the law is. Mr. Wasserstrom referred to the law and settled practice today in terms of the ownership of all rights in a contribution to a collective work being acquired by the owner of the collective work. . . .
>
> I have but one question with reference to the wording, and that is with respect to the wording at the end of subsection (c): ". . . and any revisions of it." If that means 'any revisions of the collective work' in terms of changing the contributions, or their order, or including different contributions, obviously the magazine writers and photographers would not object. But there is an implication, or

> at least an ambiguity, that somehow the [10] owner of the collective work has a right to make revisions in the contributions to the collective work. This is not and should not be the law, and consequently I suggest that the wording at the end of subsection (c) be changed or eliminated to make that absolutely clear.
>
> As far as collective works are concerned, it seems to me that Mr. Karp is quite right in the statements which he made on behalf of authors. In particular, I should like to point out that, where lump sums are paid, there is a tendency to regard the transaction as an employment for hire although it may not be. It is in that situation particularly that greater definition and clarification are called for, and it is in that situation particularly that reversion is called for, because there is no continuing payment [to authors for continued uses by publishers].

Id. at 152-53.

1965 BILL AND COMMENTARY

The 1965 Revision Bill defined the "delicate balance between authors' and publishers' rights in collective works", as follows:

> CONTRIBUTIONS TO COLLECTIVE WORKS. Copyright in each separate contribution to a collective work is distinct from copyright in the

> collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or any rights under it, the owner of copyrights in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."

Register of Copyrights for the House Comm. on Judiciary, 89th Cong., 1st Sess., *Copyright Law Revision, Part 6* 68-69 (Comm. Print 1965) (hereinafter "1965 Revision Bill").

The explanation of what Section 201(c) means is as follows:

> [The first sentence] is intended to establish the significant principle that the copyright in a contribution and the copyright in the collective work in which [the contribution] appears are two different things, and that [11] the usual rule [in § 201(a)] with respect to initial ownership applies to the contribution. . . .
>
> Under the present law, the owner of the copyright in a collective work as a whole is also the owner of copyright in the elements of compilation and editing, in any contributions that were made for hire by [the collective work publisher's] employees, and in any contributions

in which all of the author's rights have been transferred to [the collective work publisher]. The bill would leave this situation undisturbed but, as recommended in the 1961 *Report*, would clarify and simplify the extremely confused and unsatisfactory situation now existing with respect to individual contributions that were not made for hire.

In conjunction with the notice provision in section 403, the second sentence of section 201(c) would preserve the author's copyright in his contribution without requiring a separate notice in his name or an unqualified transfer of all his rights to the publisher. It would also establish a presumption that, in the absence of an express transfer, the author [of the contribution] retains all rights except 'the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.' Under this presumption, for example, an encyclopedia publisher would be entitled to reprint an article in a revised edition of an encyclopedia, and a magazine publisher would be entitled to reprint a story in a later issue of the same periodical. However, the privileges under the presumption are not intended to permit revisions in the contribution itself or to allow inclusion of the contribution in anthologies or other entirely different collective works.

Id. at 68-69.

Legislative History Excerpts

1965 DEBATES

As with the prior drafts, commentary and debates ensued with regard to the 1965 draft bill. For example, the almost 2000-page report includes a letter from Prof. W. Albert Noyes, Jr., then Chairman, Ad Hoc Committee on Copyright Law Revision, in which he opined:

> [12] In our opinion, certain sections of the bill are particularly favorable for the individual scientific author. This is true of sections 201(c) and 204(a) relating to the ownership of copyright in collective works and to the requirement for a written transfer of copyright. We support these sections as we feel that the regularity and clarity of the procedures would more than offset their slight additional record keeping requirement.

Copyright Law Revision: Hearings on H.R. 4347, 5680, 6831, 6835 Before Subcommittee No. 3 of the House Comm. on the Judiciary, 89th Cong., 1st Sess. 1917 (1965).

1966 HOUSE REPORT

The 1966 Report of the Committee on the Judiciary to the House of Representatives on the copyright act bill No. 2237 stated, as follows:

> Under the language which has been retained, a publisher could reprint a contribution from one issue in a later issue of his magazine, or could reprint an article from a 1970 edition of an

> encyclopedia in a 1980 revision of it; he could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

H.R. Rep. No. 89-2237, at 116-17 (1966).

1976 HOUSE REPORT

Finally, in 1976, the House Report No. 94-1476 to the bill ultimately passed by Congress, stated:

> Subsection (c) of section 201 deals with the troublesome problem of ownership of copyright in contributions to collective works, and the relationship between copyright ownership in a contribution and in the collective work in which it appears. The first sentence establishes the basic principle that copyright in the individual contribution and copyright in the collective work as a whole are separate and distinct, and that the author of the contribution is, as in every other case, the [13] first owner of copyright in it. Under the definitions in section 101, a "collective work" is a species of "compilation" and, by its nature, must involve the selection, assembly, and arrangement of "a number of contributions." Examples of "collective works" would ordinarily include periodical issues, anthologies, symposia, and collections of the discrete writings of the same authors, but not cases, such as a composition consisting of words and music, a work published

with illustrations or front matter, or three one-act plays, where relatively few separate elements have been brought together. Unlike the contents of other types of "compilations," each of the contributions incorporated in a "collective work" must itself constitute a "separate and independent" work, therefore ruling out compilations of information or other uncopyrightable material and works published with editorial revisions or annotations. Moreover, as noted above, there is a basic distinction between a "joint work," where the separate elements merge into a unified whole, and a "collective work," where they remain unintegrated and disparate.

The bill does nothing to change the rights of the owner of copyright in a collective work under the present law. These exclusive rights extend to the elements of compilation and editing that went into the collective work as a whole, as well as the contributions that were written for hire by employees of the owner of the collective work, and those copyrighted contributions that have been transferred in writing to the owner by their authors. However, one of the most significant aims of the bill is to clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions.

The second sentence of section 201(c), in conjunction with the provisions of section 404 dealing with copyright notice, will preserve the

author's copyright in a contribution even if the contribution does not bear a separate notice in the author's name, and without requiring any unqualified transfer of rights to the owner of the collective work. This is coupled with a presumption that, unless there has been an express transfer of more, the owner of the collective work acquires "only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."

The basic presumption of section 201(c) is fully consistent with present law and practice, and represents a [14] fair balancing of equities. At the same time, the last clause of the subsection, under which the privilege of republishing the contribution under certain limited circumstances would be presumed, is an essential counterpart of the basic presumption. Under the language of this clause a publishing company could reprint a contribution from one issue in a later issue of its magazine, and could reprint a contribution from a 1980 edition of an encyclopedia in a 1990 revision of it; the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

H.R. Rep. No. 94-1476, at 122-23 (1976).

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No. 00-201

IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR PETITIONERS

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QUESTION PRESENTED

Are reproduction and distribution of a periodical in electronic form, as well as in print, privileged under Section 201(c) of the Copyright Act or does electronically publishing the same content infringe upon the copyrights held by contributing freelance authors?

STATEMENT PURSUANT TO RULE 29.6

Petitioner The New York Times Company states that it has no corporate parents, and that no publicly held company owns 10% or more of The New York Times Company's stock.

Petitioner Newsday Inc. states that The Tribune Company is its corporate parent, and that no other publicly held company owns 10% or more of Newsday, Inc.'s stock.

Petitioner Time Inc., formerly known as the Time Inc. Magazine Company, states that Time Warner Inc. is its corporate parent, and that Time Inc. has no publicly traded stock.

Petitioner University Microfilms Inc. states that Bell & Howell Co. is its corporate parent, and that no other publicly held company owns 10% or more of University Microfilms Inc.'s stock.

Petitioner LEXIS/NEXIS (formerly known as Mead Data Central) states that LEXIS/NEXIS is a division of Reed Elsevier Inc., whose corporate parents are Reed International P.L.C. and Elsevier N.V., and that LEXIS/NEXIS has no publicly-traded stock.

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TABLE OF CITATION CONVENTIONS USED IN THIS BRIEF

For clarity and ease of reference, a number of short form citations to legislative materials have been adopted for use in this brief.

Full Title of Source	*Short Form*
Statutes	
Copyright Act of 1976, *codified at* Title 17, U.S.C.	"Act" or "1976 Act"
Copyright Act of 1909, ch. 320, 35 Stat. 1075 (*codified at* former Title 17, U.S.C.), *repealed by* Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541 (effective January 1, 1978)	"1909 Act"
Congressional Committee Reports	
H.R. Rep. No. 1476, 94th Cong., 2d. Sess. (1975), *reprinted in* 1976 U.S. Code Cong. & Ad. News 5659	"H.R. Rep. No. 1476" or "House Report" (J.A. 682a-708a)
H.R. Rep. No. 2237, 89th Cong., 2d Sess. (1966)	"H.R. Rep. No. 2237" (J.A. 658a-664a)

Full Title of Source (cont'd)	*Short Form (cont'd)*
Hearings	
Copyright Law Revision: Hearings on S. 1006 Before the Subcomm. on Patents, Trademarks, and Copyrights of the Senate Comm. on the Judiciary, 89th Cong., 1st Sess. (1965)	"Hearings on S. 1006" (J.A. 629a-631a)
Copyright Law Revision: Hearings on H.R. 4347, H.R. 5680, H.R. 6831, H.R. 6835 Before Subcomm. No. 3 of the House Comm. on the Judiciary, 89th Cong., 1st Sess. (1965)	"Hearings on H.R. 4347" (J.A. 632a-655a)
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Copyright Law Revision: Hearings on H.R. 2223 Before the Subcomm. on Courts, Civil Liberties, and Admin. of Justice of the House Comm. on the Judiciary, 94th Cong., 1st Sess. (1975)	"Hearings on H.R. 2223" (J.A. 672a-681a)
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1964 Revision Bill with Discussions and Comments, 89th Cong., 1st Sess., Copyright Law Revision, Part 5 (H. Judiciary Comm. Print 1965)	"Copyright Law Revision, Part 5" (J.A. 600a-617a)
Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law; 1965 Revision Bill, 89th Cong., 1st Sess., Copyright Law Revision, Part 6 (H. Judiciary Comm. Print 1965)	"Copyright Law Revision, Part 6" or the "1965 Report" (J.A. 618a-628a)

Full Title of Source (cont'd)	*Short Form (cont'd)*
Final Report of the National Commission on New Technological Uses of Copyrighted Works (Library of Congress 1979)	"CONTU Report" (J.A. 709a-716a)

BRIEF FOR PETITIONERS

Petitioners The New York Times Co., Newsday Inc., Time Inc., University Microfilms Inc. and LEXIS/NEXIS respectfully request that this Court reverse the judgment of the Second Circuit in this matter.

OPINIONS BELOW

The district court's opinion (per Sotomayor, D.J. (now circuit judge)) granting petitioners' summary judgment motion (Cert. Petition App. ("Cert. App.") 23a-80a) is published at 972 F. Supp. 804. The district court's subsequent opinion denying reconsideration (Cert. App. 83a-105a) is published at 981 F. Supp. 841. The court of appeals' opinion (per Winter, C.J., joined by Miner and Pooler, JJ.) reversing (Cert. App. 1a-22a) is published at 206 F.3d 161. The court of appeals' orders denying rehearing and rehearing en banc (Cert. App. 106a-107a) and staying its mandate (*id.* 111a-113a) are not otherwise published.

JURISDICTION

The court of appeals entered its opinion on September 24, 1999, and denied rehearing and rehearing en banc on April 6, 2000. Justice Ginsburg subsequently extended the time to file a petition for a writ of certiorari to and including August 4, 2000. The petition, filed on August 4, 2000, was granted on November 6, 2000. This Court has jurisdiction pursuant to 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The relevant provisions of the Copyright Act of 1976 (the "Act"), 17 U.S.C. § 101 *et seq.*, are reprinted in the appendix to this brief at 1a-13a.

STATEMENT OF THE CASE

This is a copyright case brought by freelance authors (respondents) against the publishers of a number of periodicals and their licensees (petitioners). Respondents contributed articles that appeared in the print editions and also in electronic copies of the publications. The case arises because respondents claim that the periodicals, when

published electronically, violate the copyrights in their individual contributions.

These electronic versions or "copies"[1] of the periodicals are the modern successors to microfilm and microfiche. They continue, in media that are now common and efficient, the long-standing practice of making periodicals available in formats especially well-suited for research purposes. Because completeness and editorial integrity are essential for research, these electronic "copies" contain the entire editorial content of the periodicals and, in many instances, are exact duplicates of the entire periodicals. When stored on a cumulative basis, they serve as vast library stacks that can be searched quickly and accurately. A few decades ago, a researcher would locate articles by first studying subject headings in the *Reader's Guide to Periodical Literature* or *The New York Times Index* and then physically retrieving the hard copy in the stacks or the appropriate pages on microfilm or microfiche copies of the publications. Now, the identical research can be performed far more efficiently and successfully through electronic searches on a computer.

The district court rejected respondents' infringement claim based on a meticulous study of the text and legislative history of the Copyright Act. The district court held that the electronic copies were privileged under Section 201(c) of the Act, which permits publishers of "collective works," such as periodicals, to reproduce and distribute freelance contributions as part of a periodical and "any revision" thereof.

The Second Circuit reversed in a decision that conflicts with the plain text of Section 201(c), the structure and purpose of the Act and longstanding copyright principles. The particular electronic copies challenged in this case, which in many instances include exact duplicates of the original periodicals and in all instances include the original editorial content in its

---

1. "Copies" are the "material objects" in which any copyrightable work, including the collective works at issue in this case, are "fixed," that is, made "sufficiently permanent . . . to be perceived." 17 U.S.C. § 101 (defining "copies" and "fixed").

entirety, fit squarely within the congressional grant to publishers set forth in Section 201(c). Congress enacted Section 201(c) to ensure the right of contributing authors to exploit their individual works, *not* to prevent publishers from reproducing or distributing original or revised editions of their periodicals. More generally, it intended to further, not impede, the development of easily accessible electronic libraries and to promote the widespread dissemination of copyrighted works for the public good.

The Second Circuit's contrary ruling turns this clearly expressed congressional intent on its head, because it will require the mass deletion of freelance contributions from those libraries, as well as the outright destruction of media, such as CD-ROM discs, that may contain such contributions. Congress intended precisely the opposite result.

I. The Parties And Works At Issue In This Proceeding.

A. *Petitioners And The "Collective Works" They Publish.* Petitioners are publishers and their licensees. The publishers produce a number of prominent newspapers and special interest magazines, including *The New York Times* (the "*Times*"), *Newsday* and *Sports Illustrated* (collectively, the "Publications"). The Publications are published in print form, on microfilm and microfiche and also electronically. The publishers hold copyrights in each issue or edition of their respective Publications.

Petitioner LEXIS/NEXIS provides the NEXIS service. NEXIS is comprised of hundreds of libraries, each of which contains the contents of a periodical or periodicals.[2] For example, NEXIS has contained libraries for the *Times* since 1983, *Newsday* since 1988 and *Sports Illustrated* since 1982. NEXIS contains the Publications' complete editorial contents

2. The information contained in the NEXIS service is stored on a series of large interconnected discs housed in computers, or servers. These devices function similarly to library stacks: When an end-user requests information from a particular library within the NEXIS system, the computer locates the information by referencing internal indexing codes, and then retrieves the information from the electronic "stacks" for the end-user.

— *i.e.*, all of the articles, editorials, letters to the editor and similar materials — although not graphical materials (such as box scores or photographs and advertisements) and certain agate-type entries (such as paid death notices) that are incompatible with the limits of the ASCII-text format that was dominant when the libraries were originally created.[3]

The NEXIS "search engine" permits users to search the libraries according to individualized criteria. End-users can retrieve either individual articles or (as the district court found) can "generate all of the articles — and only those articles — appearing in a particular periodical on a particular day." Cert. App. 30a. When retrieved, a search result displays information regarding the hard copy edition of the publication in which each article appears, including the publication name, the date and the page number.

The creation of the electronic copies of the Publications stored in these libraries mirrors the creation of the print copies. As the district court found, the "publishers deliver or electronically transmit to NEXIS the full text of all of the articles appearing in each daily or weekly edition of their periodicals." Cert. App. 29a. Specifically, the same computer files are sent to NEXIS as are sent from the editorial desk to the printing facilities in order to print "the hard copy versions of their periodicals." *Id.* These files contain the complete text of each day's or week's issue, including headlines, photograph captions, bylines and page, section and other references to the layout of the paper edition. *Id.*; Joint Appendix ("J.A.") 471a-76a. Once received by NEXIS, these files are added to the

3. ASCII ("American Standard Code for Information Interchange") is a standard means for storing textual data that became prevalent in the 1960s. It assigns a unique 7-bit binary number for each upper- and lower-case letter, numeral, punctuation symbol and other character of the typewriter keyboard. Thus, by definition, it cannot be used for photographical information. Charles E. MacKenzie, *Coded Character Sets, History and Development*, 211-13 (1980). As technology evolved, other digital formats, such as the image-based format used for many of the copies in this case, have become common.

appropriate NEXIS electronic library in their entirety and without any intervening selection or revision to their substantive content. Cert. App. 29a.

Petitioner UMI is the world's largest producer of informational CD-ROM products, including *The New York Times OnDisc* ("*NYTO*"), a product that contains the same searchable ASCII-text information as the *Times* library in NEXIS. Pursuant to a three-way agreement among the *Times*, NEXIS and UMI, "NEXIS provides UMI with magnetic tapes containing . . . the same data furnished by the [*Times*] to NEXIS." Cert. App. 30a. UMI then transfers these files, entirely and without revision, to CD-ROM discs. *Id.* As with NEXIS, end-users of the *NYTO* product may retrieve in its entirety the complete editorial content of any day's edition of the *Times*.

UMI also produces a second CD-ROM product, *General Periodicals OnDisc* ("*GPO*"), which contains exact duplicate images of entire copies of periodicals, including *The New York Times Sunday Magazine* and *The New York Times Book Review*. Complete copies of the printed editions of these periodicals are digitally scanned and "burned" onto CD-ROMs. Cert. App. 31a. As a result, "[a]rticles appear precisely as they do in print, complete with photographs, captions, and advertisements." *Id. GPO* has a search engine that utilizes an accompanying abstract.[4]

B. *Respondents And The Articles They Contributed.* Respondents are six freelance authors. Between 1990 and 1993, they wrote twenty-one articles (collectively, "the Articles") that were published in the Publications. No contract between any of the petitioners and respondents limits reproduction of the Articles to print copies of the

4. Microfilm and microfiche copies of the Publications are created the same way as *GPO*: by photographically reproducing each hard copy page of the periodical. Instead of digitally converting that information, UMI fixes photographic negatives of the issues onto plastic film, which reproduces the image of the hard copy periodical when light is shone through it.

Publications or otherwise restricts electronic distribution.[5] In fact, each of the respondents *admitted* that no agreement limited petitioners' rights to the print medium and that they had not, prior to filing this suit, objected to publication in other media, such as electronically or on microfilm. J.A. 486a-87a, 488a, 489a, 491a-92a, 495a-96a.[6] Consequently, the Articles were included in both print and electronic copies of the Publications, together in the case of *GPO* with everything else that appeared in that particular edition or in the case of NEXIS and *NYTO* with the rest of the editorial content.

Respondents hold copyrights in each of the Articles. They brought this suit asserting that petitioners, in the absence of a contract, obtained only "first, one time, North American *print publication rights*," to their contributions and that, upon print publication, the petitioners' right to include their Articles was "exhausted." Compl. ¶¶ 32, 290, 368, 394, 446, J.A. 29a, 38a, 44a-45a, 50a (emphasis added). Under their theory, the reproduction and distribution of the Publications in any non-print medium — including not only electronic libraries and CD-ROMs but also microfilm and microfiche — infringe respondents' copyrights in the Articles.

II. The Relevant Statutory Provisions.

The Copyright Act distinguishes between the copyright in a periodical and that which exists in an individual contribution to the periodical. Periodicals are defined as "collective works," which are a species of "compilation." 17 U.S.C. § 101. Collective works are composed of various individual works, which can

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5. *See* Copyright Law Revision, Part 1, at 87, J.A. 556a (Section 201(c) governs when "there is no express agreement . . . as to the assignment of rights.").

6. Moreover, many of the respondents admitted to being familiar with and having used NEXIS, as well as microfilm, for some time before filing suit. J.A. 388a, 393a-94a, 449a-50a, 453a. Their lawsuit also followed, by over nine years, prior unsuccessful efforts by freelancers and others to convince Congress to limit publishers' rights under Section 201(c). *See infra* at 37-38.

be separately copyrighted. *Id.*[7] Under Section 103(b), "[t]he copyright in [a compilation] is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material." 17 U.S.C. § 103(b). In order to be entitled to this compilation copyright, a collective work must reflect a unique "selection, coordination, or arrangement." *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 357 (1991).

Individual authors always remain free to exploit their individual contributions whether or not a publisher has a copyright in the compilation. Under Section 201(c), however, publishers presumptively are privileged to reproduce and distribute individually copyrighted contributions in several respects:

> Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution *as part of* [1] *that particular collective work*, [2] *any revision of that collective work, and* [3] *any later collective work in the same series.*

17 U.S.C. § 201(c) (emphasis and numbering added).

III. The District Court's Decision Rejecting Respondents' Copyright Infringement Claim.

After extensive discovery, the district court framed the question on summary judgment as whether the electronic copies are privileged under Section 201(c), or, as the respondents

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7. Because staff writers (unlike freelancers) are employed by publishers, the publishers are deemed the "authors," and hence the presumptive owners, of the copyrights in all staff-contributed articles. 17 U.S.C. §§ 101 (defining works for hire), 201(b) (deeming employer the "author" of work made for hire).

maintain, "exploit plaintiffs' individual articles" in an entirely separate periodical or "new anthology" and, therefore, infringe upon respondents' copyrights. Cert. App. 17a, 32a-33a. The district court emphasized that a "plain reading" of the term "any revision" in Section 201(c) precluded respondents' claim. *Id.* 58a. It rejected respondents' view that "any revision" should be read narrowly to encompass only "new" or "up-to-date" versions of a prior work in the same medium in which the work originally appeared. Such a reading, the district court recognized, would be inconsistent with the plain meaning of the term "any revision":

> Congress plainly intended to prevent publishers from reshaping or altering the content of *individual articles*. With this limitation in place, Congress apparently was willing to permit publishers significant leeway, *i.e.*, the leeway to create "any revision" of their collective works.

Id. 59a (emphasis added). The district court further rejected respondents' proposed paper-only limitation as contrary to the media-neutral framework of the Act. Quoting from the legislative history on this very point, the court emphasized that the rights in the Act were "granted in such a way that they can be adapted as time goes on to each of new advancing media." *Id.* 57a.

The district court also reviewed the specific legislative history regarding Section 201(c) noting the many compromises brokered "through a unique and lengthy process involving the input of numerous experts from assorted interest groups and industries." Cert. App. 41a. This history confirms the expansive scope that the ultimate compromise accorded to the "any revision" privilege. An early draft of Section 201(c) proposed allowing publishers to reproduce an individual contribution "as part of that particular collective work and any revisions of it." *Id.* 59a. Focusing on the ambiguity of the word "it," authors argued that "[i]f that means 'any revision of the collective work' in terms of ***changing the contributions, or their***

order, or including different contributions, obviously the magazine writers and photographers would not object." *Id.* 60a (quoting Harriet Pilpel, "a prominent author representative") (emphasis added). Authors feared, however, that the clause as written might give publishers "a right to make revisions *in the contributions* to the collective work. This is not and should not be the law." *Id.* 59a-60a (emphasis added). "In other words," as the district court concluded, "authors were comfortable permitting publishers broad discretion in revising their collective works, provided that individual articles would remain intact." *Id.*

With this understanding of the "any revision" language confirmed by the Act's text and legislative history, the district court next considered whether the electronic copies on NEXIS and the UMI CD-ROMs fell within the "any revision" privilege of Section 201(c). The court recognized that, notwithstanding the considerable breadth of the "any revision" clause, a revision still "must be recognizable as a version of a preexisting collective work if it is to be fairly characterized a revision of 'that collective work.' " Cert. App. 61a. Turning again to the statutory definitions in the Act, the district court reasoned that periodicals are compilations, defined as "work[s] formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." *Id.* 62a; *see also* 17 U.S.C. § 101. Because this selection or arrangement is the essence of the collective work copyright, "defendants must preserve some significant original aspect of those works — whether an original selection or an original arrangement — if they expect to satisfy the requirements of Section 201(c)." Cert. App. 63a.

The district court found no genuine dispute over whether the original editorial selection of the Publications is retained in the electronic copies. That "selection remains evident online" because petitioners uniformly include

information identifying the publication, edition and even pagination of the hard copy edition in which each article originally appeared. Cert. App. 71a. Moreover, "there is no intervening original selection of articles that might render NEXIS or UMI's CD-ROMs separate collective works." *Id.* 70a n.13. The district court concluded that the failure to retain the exact arrangement as well as the entire selection reflected in a paper copy of a particular periodical is only of "peripheral concern," because petitioners retain their single most important original contribution: their editorial selection of the individual articles to be published in any given hard copy periodical. *Id.* 72a-73a; *see also id.* 69a ("*The New York Times* perhaps even represents the paradigm, the epitome of a publication in which selection alone reflects sufficient originality to merit copyright protection. Identifying 'all the news that's fit to print' . . . is a highly subjective undertaking, one that different editors and different periodicals undoubtedly perform with varying degrees of success.").

Because the court recognized that the editorial selection retained by petitioners in the electronic copies is substantially similar to the selection contained in the original paper copies, it concluded the electronic copies fit well within the broad "any revision" privilege of Section 201(c). Cert. App. 76a. The district court further reasoned that the differences between the electronic and print copies of the Publications — a loss of above-the-fold or below-the-fold placement, column formatting and agate-type entries — are precisely what makes the electronic copies "revisions," as opposed to being "that collective work" itself under Section 201(c). *Id.* 73a-74a, 76a. These differences, moreover, are not even present on image-based CD-ROM products, which reproduce images of the Publications as they appear in print. Indeed, although the district court did not expressly address *GPO*, other than to note that "plaintiffs struggle[d] to explain their objections" to both it, *id.* 64a n.12, and microfilm, *id.* 50a n.7, *GPO* constitutes nothing more than a photographic transfer (just like microfilm)

of the Publications from hard copy to an electronic, CD-ROM medium. Thus, its reproduction and distribution also fall within Section 201(c)'s privilege for reproducing individual contributions as part of "that collective work."[8]

The district court rejected respondents' contentions that its holding resulted in a windfall to publishers or left freelancers without any significant protection under Section 201(c). Rather, as the district court recognized, respondents may, under Section 201(c), prevent any exploitation of their individual articles apart from the collective work in which they originally appeared. Cert. App. 77a. For example, the *Times* could not sell a freelance sports piece to *Sports Illustrated*, or rework that article into a short story, a television program or a movie.[9] This fundamental distinction between individual copyrights and collective work copyrights reflects the essential congressional compromise embodied in Section 201(c) and the economic reality that publishers have a legal and normative right to exploit the collective work that is the product of their authorship.

IV. The Court Of Appeals' Decision Finding Copyright Infringement.

On respondents' appeal, the Second Circuit reversed, holding as a matter of law that "Section 201(c) does not permit [petitioners] to license individually copyrighted works for inclusion in the electronic databases," even if the entirety of

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8. *See infra* at 21-25 (explaining that change in medium does not change underlying work).

9. In addition, because Section 201(c) creates only a presumption in favor of publishers, freelancers remain free to secure greater copyright protection by contract, provided they expressly carve back the Section 201(c) default. Section 201(c) operates to permit publishers to republish a contribution in the three ways set forth "unless there has been an express transfer of more." *See* H.R. Rep. No. 2237, at 117, J.A. 663a. For this reason, the contract entered into between petitioner Time Inc. and respondent Whitford, which did not explicitly alter the default § 201(c) allocation, cannot change the result dictated by that section. The district court properly so concluded. Cert. App. 39a-40a.

each Publication is so licensed. Cert. App. 7a. It read the third clause of Section 201(c) (a "later collective work in the same series") as setting "the outer limit" on the scope of "what the Publisher may do." *Id.* 10a. The Second Circuit therefore reasoned that the second ("any revision") clause must be read narrowly to permit reproduction and distribution only in less substantial revisions — those that are only "somewhat altered from the original," *id.* 11a, whatever that might mean.

The Second Circuit found that the electronic copies in this case could not fit within its narrow conception of the Section 201(c) privilege. It asserted, without any citation to the record, that petitioners "strip[]" individual issues of the Publications "into separate files representing individual articles," which are then transmitted to the electronic copy licensees. Cert. App. 4a. The court also focused on the purportedly "substantial portion" of the Publications that are not transmitted to NEXIS, such as "formatting decisions, pictures, maps and tables, and obituaries." *Id.*[10] Notwithstanding its acknowledgement that "individual articles are 'tagged' with data indicating the section and page on which the article initially appeared," the Second Circuit focused on paper-specific aspects of the Publications' arrangement that were not (because they could not be) displayed in ASCII-text format: *i.e.*, "certain information relating to the initial page layout . . . , such as placement above or below the fold in the case of The New York Times." *Id.*

The Second Circuit relied heavily on an analysis of how end-users can retrieve or access particular information stored in the electronic libraries. It established the new legal principle that a publisher may be liable for *direct* copyright

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10. In fact, all of the editorial content, including obituaries, is reproduced in the electronic copies. Advertisements, including those in the form of paid death notices, are not. Such material is added after the editorial selection is made and transmitted to the printers. J.A. 197a-98a, 203a.

infringement (the theory advanced by respondents) simply by publishing electronic copies of periodicals that permit *third parties* to retrieve individual articles:

> Subscribers to NEXIS are able to access an almost infinite combination of articles from one or more publishers by using the database's advanced search engine. The articles may be retrieved individually or, for example, together with others on like topics. Such retrieval makes the article available without any material from the rest of the periodical in which it first appeared.

Cert. App. 4a. Similarly, the CD-ROM products "contain[] many articles that may be retrieved [through a search engine] according to criteria unrelated to the particular edition in which the articles first appeared." *Id.* 16a.

The Second Circuit believed that the ability of end-users to retrieve articles could not be reconciled with the Act in two respects. First, it maintained that such individually accessible electronic copies fail to retain the original "selection" of the print edition inasmuch as "the Authors' works are now available to the public on one or more electronic databases and may be retrieved individually or in combination with other pieces originally published in different editions of the periodical or in different periodicals." Cert. App. 6a-7a. The court concluded that such a process results in "at best a new anthology of innumerable editions of the Times, and at worst a new anthology of innumerable articles from these editions," but *not* "a 'revision' of any (or all) particular editions." *Id.* 17a.

Second, it opined that the availability of individually accessible electronic copies itself infringes upon authors' rights to exploit their individual contributions:

> Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the

> particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS.

Cert. App. 13a. Turning to the image-based *GPO* CD-ROM, the Second Circuit acknowledged that the editorial selection and arrangement of the paper copies are reproduced *exactly* as they are in other image-based media such as microfilm, but summarily opined that such image-based media also infringe because (as can be true of microfilm spools and microfiche sheets) they can contain articles from numerous other periodicals, rendering *GPO* "at best a new anthology." *Id.* 17a.

On April 26, 2000, the Second Circuit stayed its mandate upon a showing by petitioners, through undisputed sworn declarations, that the judgment below would cause irreparable injury both to petitioners and to the public. J.A. 15a, 526a-42a. In particular, the decision below will require publishers and electronic database companies nationwide to delete hundreds of thousands of electronically stored freelance news articles, book reviews, stories sent in by stringers, letters to the editor, Op-ed pieces and other materials. J.A. 532a. As the declarations explained, any suggestion that publishers and freelance authors could "contract around" the problem ignores the practical impossibility of locating and negotiating with tens of thousands of individual authors, their transferees in interest, and/or heirs, in the face of class action litigation regarding the use of articles already published in electronic copies. J.A. 535a, 542a.[11]

SUMMARY OF THE ARGUMENT

Petitioners' reproduction and distribution of the electronic copies at issue are privileged under Section 201(c) of the

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11. Multiple class action and other complaints have been filed against publishers and their licensees based on the Second Circuit's decision in this case. *Laney v. Dow Jones & Co., Inc.*, 00 Civ. 769 (D. Del.); *The Authors Guild, Inc. v. The Dialog Corp.*, 00 Civ. 6049 (S.D.N.Y.); *Posner v. Gale Group, Inc.*, 00 Civ. 7376 (S.D.N.Y.).

Copyright Act. Petitioners' copyrights in their collective works, *see* 17 U.S.C. § 103(b), entitle them to reproduce and distribute those works, a process that necessarily involves distributing the individual contributions. Congress accordingly provided in Section 201(c) that a publisher may reproduce and distribute individually copyrighted contributions as part of the original collective work or "any revision" thereof. In this case, the ASCII-text electronic copies in the NEXIS database and those on the *NYTO* CD-ROM qualify as "revisions" and the image-based copies (those on the *GPO* CD-ROM) also qualify as the original collective work. The Second Circuit's view — that the electronic copies infringe because they combine multiple periodical issues into "new anthologies" and because they permit researchers quickly and efficiently to retrieve individual articles — conflicts with fundamental copyright principles, as is evident from the fact that it would invalidate longstanding, widespread applications of the Section 201(c) privilege to media such as microfilm and microfiche.

I. The Act's plain text establishes that the "any revision" privilege of Section 201(c) is broad and encompassing. The term "revision" contemplates substantial changes to the original work. *E.g.*, *Webster's Third New Int'l Dict.* 1944 (1968) ("revise" is "to make a new, amended, improved or up-to-date version," including by "incorporating *major* revisions" (emphasis added)). Moreover, the Act privileges "*any*" revision of the collective work, a term of considerable breadth. *E.g.*, *Freytag v. Commissioner*, 501 U.S. 868, 874 (1991); *Harrison v. PPG Indus., Inc.*, 446 U.S. 578, 589 (1980).

Moreover, the Act was purposefully drafted in media-neutral terms to facilitate the transfer of a work between paper and electronic copies. The Act provides both that a "work," such as the collective works in this case, may be fixed in any medium "now known or later developed" and

that the "copies" reproduced and distributed by petitioners are the material objects, "in which a work is fixed by any method now known or later developed." 17 U.S.C. §§ 101, 102(a). Accordingly, petitioners' publications are the same "works," whether fixed in paper editions, photographed for microfilm, "burned" onto a CD-ROM or electronically copied to a computer server.

The Second Circuit erred by ignoring the Act's plain meaning, purporting instead to infer Congress' intent from the structure of Section 201(c). It deemed the first clause of Section 201(c) ("that particular collective work") a "floor" for the rights of publishers, the third clause ("any later collective work in the same series") a ceiling, and the second clause ("any revision") some sort of middle level between the other two. Other than that Section 201(c) has three clauses (also true of innumerable other federal statutes that *never* have been construed in this floor-to-ceiling manner), nothing supports this construction. All three clauses represent overlapping publishing practices familiar to Congress at the time of the Act's adoption, and all were essential to the compromise between the interests of publishers and authors that Section 201(c) embodies. When the terms of a statute stand on their own and there is no indication that Congress intended those terms to limit each others' scope, resort to the canons of construction applied by the Second Circuit is inappropriate. *E.g.*, *Harrison*, 446 U.S. at 589 (*ejusdem generis*); *Babbit v. Sweet Home Chapter of Communities for a Great Or.*, 515 U.S. 687, 702 (1995) (*noscitur a sociis*).

II. The Copyright Act's legislative history, recognized as a uniquely important interpretive tool in the context of the Act but essentially ignored by the Second Circuit, confirms that the electronic copies in this case are privileged. The legislative history makes plain that the essence of the Section 201(c) compromise was to preserve the rights publishers enjoy in their collective works in three particular ways, while allowing authors, for the first time, to retain rights to their individual contributions.

Under precedents interpreting the predecessor Copyright Act of 1909, authors had lost essentially *all* rights to their contributions submitted to publications, such as sequelization, novelization, screenplay and merchandise rights. *E.g.*, *Geisel v. Poynter Prods., Inc.*, 295 F. Supp. 331, 334 (S.D.N.Y. 1968); *Alexander v. Irving Trust Co.*, 132 F. Supp. 364, 369 (S.D.N.Y.), *aff'd*, 228 F.2d 221 (CA2 1955), *cert. denied*, 350 U.S. 996 (1956). Congress intended to correct this, expressly providing that publishers secure rights "only" with respect to their "collective works."

Consistent with authors' right to exploit their *individual* works, Section 201(c) allows a collective work "revision" to include quite substantial changes. *E.g.*, Copyright Law Revision, Part 3, at 261, J.A. 591a (statement of Bella Linden, publishers' representative, leading to reformulation of Section 201(c) draft) (maintaining that publishers have the right to distribute "a volume containing only *half* of the material in 'that particular collective work' ") (emphasis added). Importantly, the contrary view of some authors was considered but not adopted. Indeed, Congress subsequently twice considered but did not adopt proposals to amend Section 201 that would have provided freelance authors the relief that respondents seek here.

Congress also was quite conscious of the development of electronic libraries similar to NEXIS, the predecessors of which already existed in the 1960s and 1970s and the expansion of which was accurately predicted by testifying witnesses. Congress plainly intended to facilitate, not impede, the development of such easily accessible electronic libraries.

III. The petitioners' electronic copies easily fall within the Section 201(c) privilege. The image-based electronic copies (those on the *GPO* CD-ROMs) are precisely the same "works" as the hard copy editions and thus qualify as "that collective work" under the Act's media-neutral provisions. The Second Circuit's conclusion that these copies, which are exact

duplicates of every page of the *New York Times Book Review* and *Sunday Magazine*, fall outside of Section 201(c) is inexplicable.

The image-based copies, like the ASCII-text-based electronic copies (NEXIS and the *NYTO* CD-ROMs), also qualify as permissible "revisions" of the hard copy editions. The ASCII-text copies contain the *entire* editorial content of the periodicals, including all of the articles, features, letters to the editor and the like. All that is excluded are graphical materials (such as advertisements) and other agate-type materials that are incompatible with ASCII-text electronic libraries. Indeed, the publishers daily transmit to NEXIS the exact files used to print the hard copy editions of the Publications, without any intervening selection or modification to individual contributions, and electronically tag each file with information regarding the publication and page on which the article appeared in hard copy.

The Second Circuit also erred in its conclusion that the electronic copies are infringing "new anthologies" of the Publications because multiple editions rest together in a single storage medium, here the NEXIS computer servers and individual CD-ROMs. That conclusion misunderstands electronic media — which necessarily involve the storage of numerous files on a single "disc" — in the context of the Copyright Act, which recognizes that a distinct "work" is created when "fixed" in any medium. The transfer of the Publications from hard copy to electronic media is a purely "mechanical" act furthermore that cannot be said to create a new work. *Feist Publ'ns v. Rural Tel. Serv. Co.*, 499 U.S. 340, 362 (1991). The Second Circuit's reasoning, moreover, invalidates longstanding publishing practices such as the distribution of microfilm and microfiche, which often contain multiple editions of a particular periodical on a single piece of film.

Similarly unavailing is the Second Circuit's assertion that the electronic copies fall outside the Section 201(c) privilege because end-users may retrieve individual articles

from the libraries. Respondents' complaint alleges only a claim of direct copyright infringement by petitioners. "Third party conduct would be *wholly irrelevant* in an action for direct infringement." *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 446 (1984) (emphasis added). As noted, petitioners not only include the Publications' entire editorial content in the electronic libraries, but also market those libraries as containing complete editions of the periodicals. Moreover, the Second Circuit's analysis would render microfilm and microfiche infringing, both of which are used by researchers for the near-exclusive purpose of retrieving individual articles.

Finally, the Second Circuit's decision would have devastating effects upon the contents of electronic libraries if not reversed. Hundreds of thousands of non-staff-written contributions would have to be deleted from services such as NEXIS. CD-ROMs would have to be destroyed because it is impossible to delete individual articles. The impact on electronic archives as a useful tool for research would be inestimable.

The judgment accordingly should be reversed.

ARGUMENT

I. Congress Intended Publishers To Continue To Be Able To Make Their Publications, And Any Revisions Of Them, Available To Researchers And The Public.

A. The Text Of The Copyright Act Establishes That The Electronic Copies In Dispute Are Privileged.

1. *The Phrase "Any Revision."* The Copyright Act grants periodical publishers a copyright distinct from that held by the authors of individual contributions. *See* 17 U.S.C. § 103(b). To permit the unrestricted exploitation of that collective work copyright in specifically authorized ways, Section 201(c) of the Act expressly permits publishers to reproduce and distribute their collective works, including any separately copyrighted contributions, as part of the original ("that particular") collective work,

"any revision" thereof and any later collective work in the same series. *See id.* § 201(c). The electronic copies at issue — which preserve the entire editorial content of the hard copy version and in some instances are exact photographic duplicates — plainly qualify as "revisions." Indeed, the *GPO* copies also qualify under the "that particular" collective work clause because they are *identical* to the hard copies and differ only in that they have been transferred to a new medium.

The second of these privileges is particularly broad.[12] To "revise" a collective work is "to make a new, amended, improved or up-to-date version" of it; similarly, a "revised edition" is an edition "incorporating *major* revisions . . . and often supplementary matter designed to bring it up to date." *Webster's Third New Int'l Dict.* 1944 (1968) (emphasis added);

12. To narrow that scope, respondents argued below that because Section 201(c) refers to a "privilege," publishers lacked a "right" that could be licensed. This distinction was rejected by the district court as contrary to the plain language of the Act, a conclusion left undisturbed by the Second Circuit. Cert. App. 47a-50a. The Act's legislative history, which consistently employs the terms "rights" and "privileges" interchangeably, confirms this. *See* Copyright Law Revision, Part 1, at 87-88, J.A. 556a (describing Section 201(c) "privilege" as a "right"); *see also* Copyright Law Revision, Part 3, at 267, J.A. 595a (statement of E. Gabriel Perle of *Time* to same effect); *id.* at 258, J.A. 585a (Abe A. Goldman, of the Copyright Office legal staff, later Acting Register, to same effect); 112 Cong. Rec. 24,066 (1966), J.A. 657a (statement of Rep. Robert Kastenmeier, later Chairman of the Subcommittee of the House Judiciary Committee responsible for the copyright laws, to same effect). The use of the word privilege, as this Court concluded in *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 175-76 (1984), in connection with Sections 203(b)(1) and 304(c)(6)(A) of the Act, simply refers to grants that cannot be terminated.

Moreover, Section 201(d)(1) permits partial transfers of copyright by "operation of law." Section 201(d)(2) of the Act, in turn, permits any of the exclusive rights comprised in a copyright, "including any subdivision of any of the rights specified by section 106," to be transferred. The "privilege" accorded publishers is precisely such a "subdivision" of copyright transferred by "operation of law." Its further conveyance, therefore, is expressly authorized by Section 201(d)(2).

Stewart v. Abend, 495 U.S. 207, 233-35 (1990) (emphasizing the importance of a plain meaning interpretation of the 1909 Copyright Act). Indeed, the Act itself contemplates that a "revision" can be so substantial that it would otherwise qualify as an entirely new copyrightable work. *Cf. Robinson v. Shell Oil Co.*, 519 U.S. 337, 341 (1997) (meaning of a term in a statute is determined by "the broader context of the statute as a whole"). Thus, a "derivative work" (which is a new work under the Act) is defined to include "[a] work consisting of editorial revisions . . . which, as a whole, represent an original work of authorship." 17 U.S.C. § 101. If, as the district court noted, "*editorial* revisions" can create a new, original work of authorship, then *a fortiori*, the broader term "*any* revision" clearly must encompass the less significant changes made to the Publications in this case. Cert. App. 58a (emphasis added).

The breadth of conduct privileged under Section 201(c) is reinforced by Congress' use of the word "any" to modify "revision." "Any" is a phrase conspicuous for its breadth, as this Court repeatedly has confirmed. *See Harrison v. PPG Indus., Inc.*, 446 U.S. 578, 589 (1980) ("expansive" use of " 'any other final action' . . . offers no indication whatever that Congress intended the limiting construction . . . respondents now urge") (emphasis in original); *Freytag v. Commissioner*, 501 U.S. 868, 874 (1991) (noting "broad sweep" of phrase "any other proceeding"); *United States v. Turkette*, 452 U.S. 576, 580-81 (1981) ("any person" and "any individual" admitted of "no restrictions upon the associations embraced by the definition"). The use of "any" does not permit the limits artificially imposed by the Second Circuit, as by constraining the privilege to "later editions of a particular issue of a periodical" or the "new edition of a dictionary or encyclopedia." Cert. App. 10a.

2. *The Act's Uniformly Media-Neutral Provisions.* That "any revision" encompasses not just print, but also electronic, copies is plain from other provisions of the Act that define and inform the fundamental concepts used in Section

201(c). In this regard, the Second Circuit erred by examining Section 201(c) in isolation, thus violating the precept that a reviewing court must interpret the statute "as a symmetrical and coherent regulatory scheme," *Gustafson v. Alloyd Co.*, 513 U.S. 561, 569 (1995), placing each constituent part "into an harmonious whole." *FTC v. Mandel Bros., Inc.*, 359 U.S. 385, 389 (1959).[13]

Congress carefully drafted the Act in media-neutral terms that contemplate and encourage the development and use of new technologies. The concept of media neutrality runs throughout the Act, beginning with its definitional provisions. The core element of copyright is the "work," which the Act provides may be fixed in any medium "now known or later developed, from which [it] can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." 17 U.S.C. § 102(a); *see also* H.R. Rep. No. 1476, at 52, J.A. 695a (noting that "it makes no difference" how a work is fixed; it remains the same "whether embodied in a physical object in written, printed . . . magnetic or any other stable form, and whether it is capable of perception directly or by means of any machine or device 'now known or later developed' ").[14] A "work" is reproduced and/or distributed — the core concepts embedded in Section 201(c) — in the form of "copies." 17 U.S.C. §§ 106(1) & (3). "Copies" are defined as "material objects . . . in which a work is fixed by any method now known or later developed," including a version created "with the aid of a machine or device," *id.* § 101, such as a computer. Accordingly, the plain language of

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13. The Second Circuit's approach contrasts sharply with that adopted by the district court, which emphasized that a "principled" analysis of Section 201(c) required it to consider it "alongside other sections of the Act." Cert. App. 41a.

14. The Act itself emphasizes that a machine or device can be one "now known or later developed." 17 U.S.C. § 101.

Section 201(c) and the other related provisions of the Act requires an interpretation of "any revision" that encompasses not only copies of periodicals that are revised as to content, but also those revised in ways that allow them to be "fixed" in some new medium.[15] The Act thus ensures that the transfer of a work between media — as when a periodical is transferred between paper and electronic copies — is not regarded as either altering the character of, or infringing, that work.

Thus, the Second Circuit had it entirely wrong in finding copyright infringement based principally on factors that inevitably arise from the transfer of petitioners' collective works between media — including particularly the ability of end-users to search electronic media and retrieve individual articles. Under the Copyright Act, any work, including a collective work, remains the same regardless of how or where "copies" are "fixed": whether printed on paper, photographed for microfilm, "burned" onto a CD-ROM, or electronically copied to a computer server. *Id.* § 101 (defining "fixed").[16] Each of those acts of reproduction creates a "copy," but only of the same work "fixed" in a different medium. In other words, whether a given collective work, or any revision thereof, is printed, reproduced on CD-ROM or stored on a larger disc housed in the NEXIS central servers, all are "copies" of the same

15. The Act broadly defines a work as "fixed" whenever it "is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration." 17 U.S.C. § 101. The Act's consistent use of basic terms like "reproduce" and "distribute" makes clear that Congress intended to grant publishers a broad, presumptive privilege to embody and disseminate their collective works and any revisions of those works in any medium.

16. *See* H.R. Rep. No. 1476 at 53, J.A. 697a ("[A] 'book' is not a work of authorship, but is a particular kind of 'copy.' Instead, the author may write a 'literary work,' which in turn can be embodied in a wide range of 'copies' and 'phonorecords,' including books, periodicals, computer punch cards, microfilm, tape recordings, and so forth.").

"work" authorized to be reproduced and distributed by publishers under Section 201(c).[17]

Having ignored all of this, the Second Circuit's opinion allows the copyright status of a work to be dictated by its medium of fixation and creates a new and unworkable rule of copyright law. Under its reasoning, the independent copyright status of a work evaporates if it is stored digitally on a medium that also stores other works because, once so "commingled," its original selection is lost and it then represents part of a "new anthology." Cert. App. 17a. This reasoning cannot be reconciled with this Court's ruling in *Feist*. The wholesale translation of entire books and periodicals into the digital medium is so "mechanical or routine as to require no creativity whatsoever," and therefore cannot create the "new" work that the Second Circuit found. *Feist*, 499 U.S. at 362.

The Second Circuit incorrectly concluded that storing multiple collective works together creates a "new anthology," Cert. App. 17a, relying on legislative history that simply makes clear that Section 201(c) was not intended to allow *individual* articles to be selected for inclusion in a separate anthology. House Report at 122-23, J.A. 706a (Section 201(c) is not intended to authorize publishers to include "the contribution itself" in "a new anthology or an entirely different magazine or other collective work"). That legislative history simply recognizes that publishers, apart from the specific publishing practices sanctioned by Section 201(c), generally do not reproduce or distribute the individual contribution apart from the collective work in which it is included. The Second Circuit's approach, however, creates new anthologies — and infringing works — with alarming

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17. Given the breadth of these definitions, the district court correctly observed that "the right to reproduce a work, which necessarily encompasses the right to create copies of that work, presupposes that such copies might be 'perceived' from a computer terminal." Cert. App. 52a.

frequency when two or more independent works, even by the same publisher, are stored together in a single medium. Such reasoning has the potential to transform the hard drive of every PC and laptop computer that contains multiple files into an infringing anthology and upsets settled law that changing the medium in which a copyrightable work is displayed does not create a new work. *See L. Batlin & Son, Inc. v. Snyder*, 536 F.2d 486, 491 (CA2) ("the mere reproduction of a work . . . in a different medium should not constitute the required originality"), *cert. denied*, 429 U.S. 857 (1976). As the Second Circuit itself concluded only a few years ago, immersion of a work in a larger database does not cause the original work to lose its independent copyright status. *CCC Info. Serv. v. MacLean Hunter Market Reports*, 44 F.3d 61, 68 n.8 (CA2 1994), *cert. denied*, 516 U.S. 817 (1995). In copyright terms, the medium is *not* the message.

3. *The Second Circuit's Flawed Textual Analysis.* The Second Circuit's contrary holding rests not on the meaning of "any revision" or the Act's many media-neutral terms, but instead on a supposed inference improperly drawn from the *structure* of Section 201(c). Addressing the three privileges granted to publishers in the three clauses of Section 201(c), the court of appeals deemed "that particular collective work" a "floor," "any later collective work in the same series" a "ceiling," and the penultimate category — "any revision" — some sort of middle level that must be less expansive than the "ceiling."

There is no support for this rigid "floor to ceiling" analogy, in which three traditional and overlapping publishing practices, well known to Congress when it adopted the Act in 1976, are hermetically sealed from each other. To the contrary, these clauses were intended to assure publishers the ability to continue to reproduce and distribute their collective works in ways that were not controversial: to publish, revise and republish periodicals, encyclopedias, textbooks and other collective works without having to

re-seek permission to include each separately copyrighted contribution. *See, e.g.*, H.R. Rep. No. 2237, at 117, J.A. 664a (201(c) presumes "the privilege of *republishing* the contribution") (emphasis added), H.R. Rep. No. 1476, at 122, J.A. 706a (same).

The first clause ("that particular collective work") addresses the magazine, newspaper or encyclopedia edition in which the article is first published. The third clause, "later collective work in the same series," means that "a publishing company could reprint a contribution from one issue in a later issue of its magazine." H.R. Rep. No. 1476, at 122, J.A. 706a. Within the last few years, for example, to celebrate its 75th anniversary, the *New Yorker*'s current issues have included full or excerpted articles published over the past decades. The last clause of § 201(c) permits that practice, as the legislative history confirms. *See* n.20 *infra*.[18]

That leaves the second clause — "any revision" — to stand on its own, without the artificial ceiling of the third clause that the Second Circuit erected. The legislative history gives as a specific example of a permissible "revision" "reprint[ing] an article from a 1980 edition of an encyclopedia in a 1990 revision of it." H.R. Rep. No. 1476, at 122, J.A. 706a. Such a "revised" encyclopedia could include numerous changed contributions, far more than is true of the electronic copies in this case.

No principle of statutory interpretation requires Congress to list phrases in a statute in any particular order or permits courts to draw otherwise unsupported inferences from the sequence in which Congress lists them. The canons of

18. Because such resulting works cannot be considered revisions of any particular edition of the *New Yorker*, the Second Circuit was incorrect to assert that petitioners' reading would render the third clause "superfluous." Cert. App. 12a. *See Quality King Distribs., Inc. v. L'anza Research Int'l Inc.*, 523 U.S. 135, 148-49 (1998) (rejecting contention that reading of Act would render clause superfluous because its exceptions "remain applicable in some situations")

statutory construction employed by the Second Circuit (*ejusdem generis* and *noscitur a sociis*) do not support its construction of Section 201(c), because neither applies when, as here, the statutory language is unambiguous. *See Harrison*, 446 U.S. at 589 (because there was "no uncertainty in the meaning of the phrase "*any* other final action," it was "inappropriate to apply the rule of *ejusdem generis*" (emphasis in original)); *Garcia v. United States*, 469 U.S. 70, 74-75 (1984) (*ejusdem generis*); *Jarecki v. G.D. Searle & Co.*, 367 U.S. 303, 307 (1961) (*noscitur a sociis*). Further, *ejusdem generis* ("of the same kind"), is inapplicable here because "[e]ach category [in Section 201(c)] describes a separate type of enterprise to be covered by the statute." *United States v. Turkette*, 452 U.S. 576, 582 (1981). Similarly, *noscitur a sociis* (a word or phrase "is known by its companions") is incorrectly used if it alters the meaning of a phrase that has "a character of its own not to be submerged by its association." *Babbitt v. Sweet Home Chapter of Communities for a Great Or.*, 515 U.S. 687, 702 (1995) (quoting *Russell Motor Car Co. v. United States*, 261 U.S. 514, 519 (1923)). The Second Circuit's method of interpretation has serious implications for all statutes where Congress has listed overlapping categories without intending either an inference from their order or that the categories be deemed mutually exclusive. *E.g.* 18 U.S.C. § 1964(1) (defining RICO enterprise as including "any individual, partnership, corporation, association, or other legal entity").

In sum, the text of Section 201(c) demonstrates that the electronic copies qualify as "revisions" and in some instances as the same "collective work" as the print editions of the periodicals.

B. The Legislative History Also Establishes That Congress Did Not Intend To Interfere With Publishers' Long-Recognized Rights To Reproduce And Distribute Their Publications.

The proper interpretation of the text and structure of Section 201(c) is reinforced by the Act's legislative history. This Court repeatedly has recognized that the Copyright Act's uniquely informative legislative history can aid "understanding of the phrase" in dispute within the Act. *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 156 (1985). Thus, an "undefined statutory term" — such as "any revision" — should be read in light of the legislative history, which details "two decades of negotiations by representatives of creators and copyright-using industries, supervised by the Copyright Office and . . . Congress." *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 743 (1989). Reference to the legislative history ignored by the Second Circuit is particularly appropriate in this case, because Section 201(c) plainly reflects a carefully negotiated compromise that should be enforced as reached. *Abend*, 495 U.S. at 225 (recognizing that "each provision of the 1976 Act was drafted through a series of compromises between interested parties").

1. *The Legislative History Confirms The Breadth Of The "Any Revision" Language.* That Congress intended Section 201(c) to grant publishers the presumptive right to any and all *aggregate* uses of their collective works is clear given its overall purpose: to change the law regarding ownership of contributions under the Act's predecessor statute, the 1909 Copyright Act. *Dole v. United Steelworkers of Am.*, 494 U.S. 26, 35 (1990) (statutes should be interpreted in light of their "object and policy"). Under the 1909 Act, the absence of a signed agreement resulted in freelance authors conveying all rights in their articles to a periodical publisher. *Alexander v. Irving Trust Co.*, 132 F. Supp. 364, 369 (S.D.N.Y.) (where there was no contract between the publisher and the plaintiff and no reservation of rights, "it must be presumed"

that the publisher acquired all rights), *aff'd*, 228 F.2d 221 (CA2 1955), *cert. denied*, 350 U.S. 996 (1956); *Geisel v. Poynter Prods., Inc.*, 295 F. Supp. 331, 344 (S.D.N.Y. 1968) ("Absent a reservation . . . the copyright and all other rights pass with an . . . unconditional sale.") (citations omitted).[19] Many authors thus unintentionally transferred away a range of rights (such as sequelization, novelization, screenplay or merchandise rights) that had independent value unrelated to the magazine, newspaper or other collective work to which their articles were originally contributed.

To change that result, the Register of Copyrights initially recommended that, under the new Act, "a periodical . . . publisher" automatically acquire only the right to publish a contribution in its periodical or "a similar composite [*i.e.*, collective] work." Copyright Law Revision, Part 1, at 88, J.A. 556a. Harriet Pilpel, representing the views of freelance authors, objected that the reference to a "similar" collective work might result in authors transferring more than the Register intended. She was concerned that by selling an article to a newspaper such as *Newsday* an author also might transfer the right to sell the same article for publication in *The New York Times*, which is a "*similar* composite work." Copyright Law Revision, Part 2, at 151, J.A. 568a. Based on this concern, the Register agreed to a clarification, *i.e.*, that "*similar* composite work" meant "*that particular* composite work" and no other. *Id.* at 153, J.A. 571a (emphasis added).

In response, Horace S. Manges, a publishers' representative, questioned whether the phrase "that particular . . . work" would be broad enough to cover a standard

19. This result was dictated by the doctrine of copyright indivisibility under the 1909 Act, under which only a single owner could have an interest in a copyrighted work at any one time. *See Hirshon v. United Artists Corp.*, 243 F.2d 640, 643 n.3 (CADC 1957) ("[A] copyright is an indivisible thing, and cannot be split up and partially assigned either as to time, place, or particular rights or privileges, less than the sum of all the rights comprehended in the copyright.").

publishing practice: revising an edition of an original collective work to *omit* materials (as is true in the case of NEXIS and NYTO on the view of the facts most favorable to respondents). *Id.* Irwin Karp, another strong pro-author advocate, argued that it did not and that publishers should be required to obtain such rights by contract. *Id.*, J.A. 571a-72a.

The Register's next draft initially adopted Mr. Karp's pro-author approach, providing:

> The owner of copyright in the collective work shall, in the absence of an express transfer of the copyright or of any exclusive rights under it, be presumed to have acquired only the privilege of publishing the contribution in that particular collective work.

Copyright Law Revision, Part 3, at 15, J.A. 579a. Publishers, however, again objected to the exclusion of revised editions:

> The addition of the word "particular" raises in my mind the question as to whether revisions of that collective work would be "that particular work" — whether *a volume containing only half of the material* in "that particular collective work" would therefore be excluded.

Id. at 261 (emphasis added), J.A. 591a (statement of Bella Linden).

The Register ultimately agreed that, in the absence of an agreement to the contrary, such revisions of collective works should be permitted. The next draft therefore included a privilege of reproduction and distribution with respect to not only the original "collective work" but also "*any revisions of it*." Copyright Law Revision, Part 5, at 9, J.A. 604a (emphasis added). Significantly, the Irwin Karp approach, requiring a publisher to contract for the right to republish revised editions, including those "eliminating . . . original contributions," was permanently rejected. Instead, the authority of a publisher to make "any revision," *including a revision containing "only half of the material"* in the

original, became a part of Section 201(c), making clear that decisions as to how a collective work may be revised properly remain with the collective work owner.

Freelance authors, having successfully negotiated a much better arrangement than existed under the 1909 Act, did not object to this. Their sole concern at that point was to ensure that publishers could not revise *individual* contributions, as opposed to mandating retention of the format, layout, selection and other contents of the collective work. For example, Harriet Pilpel acknowledged that if the right to make revisions

> means "any revisions of the collective work" in terms of changing the contributions, or their order, or including different contributions, obviously the magazine writers and photographers *would not object*. . . . [C]onsequently I suggest that the wording at the end of subsection (c) be changed or eliminated to make that absolutely clear.

Id. at 152, J.A. 615a (emphasis added). The Register adopted that recommendation, and refashioned Section 201(c) to clarify that the "any revision" language authorizes any changes to the "particular collective work" as a whole, but not to the individual contribution.[20]

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20. Although the 1964 Revision Bill originally allowed inclusion of freelance contributions only "as part of that particular collective work and any revisions of it," Copyright Law Revision, Part 5, at 9, J.A. 604a, the Magazine Publishers Association objected that this limited "the publication on the part of the publisher to a particular issue of a particular periodical, thereby eliminating the relatively simple and generally accepted right of republication in the same periodical." *Id.*, J.A. 612a. The language "and any later collective work in the same series" was added to the 1965 Revision Bill to cover this other standard publishing practice, not, as the Second Circuit supposed, to impose some artificial limit on the purposely broad "any revision" language that had earlier found its way into the Revision Bill. Copyright Law Revision, Part 6, at 69, J.A. 627a. *See also* n.18 *supra*.

The 1966 House Report, summarizing these extensive negotiations, emphasized the fairness of according publishers "the privilege of republishing the contribution under certain limited circumstances," and deemed it the essence of the Section 201(c) compromise:

> [U]nless there has been an express transfer of more, the owner of the collective work acquires "only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." . . . [T]his presumption . . . represents a fair balancing of the equities.

H.R. Rep. No. 2237, at 117, J.A. 663a-64a.[21] The result could not be clearer: Although publishers of collective works cannot, under this congressionally mandated allocation of rights, cherry-pick an illustration from an issue of a newspaper or magazine and sell lithographs of it or turn a contribution into a novel, *cf. Playboy Enters., Inc. v. Dumas*, 53 F.3d 549 (CA2), *cert. denied*, 516 U.S. 1010 (1995); *Geisel*, 295 F. Supp. 331, they are permitted to reproduce and distribute a contribution in ways that Congress agreed

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21. Of note: The drafts of what became Section 201(c), even the later ones covering an expanded range of publishing practices, consistently were hailed by pro-author representatives. *See, e.g.*, Hearings on H.R. 4347, at 1917, J.A. 653a (statement of Prof. W. Albert Noyes, Jr., Chairman, National Academy of Sciences-National Research Council Ad Hoc Committee on Copyright Law Revision) ("regularity and clarity" of Section 201(c) are "particularly favorable for the individual scientific author"); Hearings on S. 597, at 1136, J.A. 667a (statement of Harriet F. Pilpel, American Society of Magazine Photographers and the Society of Magazine Writers) (with the passage of Section 201(c), "[m]any of the confusions and ambiguities in the present law will disappear"); *id.* at 1142, J.A. 671a (statement of Tom Mahoney, Society of Magazine Writers) (the section represents "a major improvement over existing copyright law" because it clarifies "the rights of contributors to periodical literature").

were directly related to their core business — publishing their collective works in any medium.[22]

Ignoring virtually all of this history, the Second Circuit focused on the uncontroversial fact that a publisher cannot extract the "contribution itself" from a collective work and then reuse it in an entirely "new anthology or an entirely different magazine or other collective work." H.R. Rep. No. 2237, at 117, J.A. 664a; Cert. App. 17a. This emphasis is misplaced for three reasons. *First*, as the district court noted, the undisputed facts are that copies of the periodicals in question have been added to and are available through the NEXIS computerized library and UMI's CD-ROMs on an entire issue-by-issue basis. Cert. App. 70a (district court opinion explaining that even respondents recognize "that the complete content of all of the articles from each disputed periodical are available" on the electronic copies). *Second*, as set forth above, neither Section 201(c) nor any other provision in the Act was intended to restrict a publisher's ability to reproduce and distribute the collective work as a whole. *Third*, by no stretch of the imagination, let alone the plain language of the Act and its legislative history, can NEXIS or CD-ROMs be deemed a new anthology or

22. Another decision involving Section 201(c), *Ryan v. Carl Corp.*, 23 F. Supp. 2d 1146 (N.D. Cal. 1998), underscores the balance struck in the Act. *Ryan* held that the Section 201(c) privilege did not apply to a research and photocopying service, the employees of which would visit a "brick and mortar" library and, without license from the contributors or the publishers, directly make reproductions of freelance articles apart from the rest of the collective work in which they appeared. That scenario is the complete opposite of that involved here, where the publishers license the entirety of their collective works to NEXIS and UMI. Because the *Ryan* court correctly recognized that the reproductions before it upset the "predictable and equitable" distinction between copies of individual articles (a use Congress preserved exclusively for the freelancer), *id.* at 1149, and copies of entire original or revised periodicals (which Congress granted to publishers), it properly held such exploitation of *individual* articles to be outside the scope of Section 201(c).

different collective work. They are simply storage media on which copies of works reside in electronic versions.

2. *Congress Was Aware, And Sought To Facilitate The Use, Of Computers And Electronic Copies.* When drafting the Act, Congress took pains to include within its scope future technologies that had yet to be invented or imagined. At the same time, the legislative history reveals that Congress received specific testimony about the advent of computer technology, and the ways works would be stored in electronic form. Accordingly, it is fanciful to suppose that Congress confined publishers' copyright privileges to paper copies. By 1965, Congress knew not only that publishers of collective works already were able to reproduce and distribute those works on electronic information storage and retrieval systems, but also that the significance of reproduction and distribution on such systems would grow tremendously. *Cf. Mills Music*, 469 U.S. at 172 (rejecting Second Circuit's "assum[ption] that Congress was unaware of a common practice in one of the industries that the general revision of the copyright law . . . most significantly affected"). The 1965 Report of the Register of Copyrights to Congress, which contained the final language of Section 201(c) as ultimately enacted by Congress, stated:

> In recent years we have seen, among a multitude of technological developments, the introduction of communications satellites [and] the tremendous growth in information storage and retrieval devices. . . . [W]e now find that even our 1961 recommendations were not flexible and forward-looking enough.

Copyright Law Revision, Part 6, at xiv-xv, J.A. 621a (the "1965 Report"). The 1965 Report devoted an entire section to this very issue. Entitled "*Use in Information Storage and Retrieval Systems*," it recommended against adoption of an "explicit provision" relating to such systems'

"that could later turn out to be too broad or too narrow." *Id.* at 18, J.A. 624a. It continued:

> A much better approach, we feel, is to state the general concepts of copyright in language, such as that in section 106(a), which would be general in terms and broad enough to allow for adjustment to future changes in patterns of reproduction and other uses of authors' works.

Id., J.A. 624a. The 1965 Report directly endorsed the concept of a media-neutral "reproduction" right in connection with electronic copies, acknowledging that

> the actual copying of entire works (or substantial portions of them) for "input" or storage in a computer would constitute a "reproduction" . . . whatever form the "copies" take: punchcards, punched or magnetic tape, electronic storage units, etc.

Id., J.A. 624a.

The 1965 Report and related testimony before Congress are replete with references to the then-current and future capabilities of electronic storage and information systems.[23] *See, e.g.*, Hearings on H.R. 4347 at 1427, J.A. 651a (testimony of Bella Linden) (describing electronic search and retrieval mechanisms for libraries of collective works, such as medical journals and other texts: "Just as in a jukebox when a person pushes the button, the arm finds what he wants, so the searching arm goes along with the discs and picks out what the researcher wants").

23. As the district court noted, "the 1976 Act was plainly crafted with the goal of media neutrality in mind." *See* Cert. App. 30a-57a. As George D. Cary, Deputy Register of Copyrights explained to Congress in 1965: "[Y]ou can read the bill from beginning to end and you won't find it in any reference to computers, [which] are one of the coming instruments of communication in the future. We have tried to phrase the broad rights granted in such a way that they can be adapted as time goes on to each of the advancing media." Hearings on H.R. 4347, J.A. 636a.

Id. at 1146-47, J.A. 647a (Statement of John F. Banzhaf III, President, Computer Program Library) (describing ability of computer information storage and retrieval systems to "scan material at an almost unbelievable speed" and to examine material "for key words and symbols"); Copyright Law Revision, Part 6 at 18, J.A. 623a-24a (same). Indeed, by the 1970s, electronic databases like NEXIS already were being marketed to the public.

Eleven years later, in 1976, the House Report accompanying the Act again noted the "increasing use of information storage and retrieval devices," H.R. Rep. No. 1476, at 47, J.A. 685a, and reaffirmed that one of the purposes of the new Act was to make clear that copies of works could be reproduced in any "form, manner, or medium of fixation . . . capable of perception directly or by means of any machine or device 'now known or later developed.' " *Id.* at 52, J.A. 695a (citation omitted).[24] Having adopted such

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24. Contrary to respondents' position below, it simply is not true that searches of, and retrievals of individual articles from, electronic libraries were not contemplated by Congress. In 1975, as the Act was taking its final form, the congressional committee drafting the Act received direct testimony confirming that computer databases would be used as vast libraries in which complete books and periodicals could be stored and accessed in exactly the way the NEXIS database and UMI CD-ROMs are used today. Hearings on H.R. 2223, at 338, J.A. 676a (testimony of Paul G. Zurkowski, President, Information Industry Association) (under the Act, collective works such as encyclopedias and periodicals would be input, and through computer equivalents of the *Reader's Guide*, located to access individual contributions); *see also* Hearings on H.R. 4347 at 68, J.A. 642a (testimony of Lee Deighton, American Textbook Publishers Institute) (database is an "electronic information center" equivalent to "a duplicating rather than a circulating *library*" (emphasis added)); Copyright Law Revision, Part 3, at 418, J.A. 596a (statement of George Shiffer, National Community Television Ass'n) (computer databases were "kinds of *libraries* as yet uninvented . . . when a manuscript will be fed into a computer and ordered as needed" (emphasis added)).

a flexible approach to the concept of copies, Congress was able to defer the issue of whether the application of copyright law to computer technologies required even further changes in the new Act. Accordingly, it authorized a study of that issue by the National Commission on New Technological Uses of Copyrighted Works ("CONTU"). H.R. Rep. No. 1476, at 116, J.A. 703a-04a.

When CONTU issued its final report (the "CONTU Report") on July 31, 1978, it made only three limited proposals, none of which bears on this case.[25] The CONTU Report concluded, precisely because of the broad definitions of copies and of other concepts, that the new Act already had achieved "the desired substantive legal protection for copyrighted works which exist in machine-readable form." *Id.* at 40, J.A. 715a. In fact, the CONTU Report specifically noted that the "introduction of a work into a computer memory" was to be considered another form of "reproduction of the work" under the Act. *Id.* This specific conclusion directly contradicts respondents' repeated efforts to limit the Section 201(c) privilege to paper-only media.

3. *Congress Twice Rejected Legislation That Would Have Adopted Respondents' Reading Of Section 201.* As the district court properly emphasized, respondents' dissatisfaction with Section 201(c) should be directed to Congress. Cert. App. 79a. It is noteworthy, however, that Congress has, twice since 1976, refused to alter the "fair balancing" embodied in Section 201(c). In 1983, Senator Thad Cochran, supported by the

25. It recommended repealing 17 U.S.C. § 117 as enacted; adding a definition of "computer program" to Section 101 of the Act; and enacting a new Section 117, which provided a copyright safe-harbor for certain copies of a computer program. CONTU Report at 12, J.A. 711a-713a. On December 12, 1980, these recommendations were enacted as law. Pub. L. No. 96-517, § 10(b), 96th Cong., 1st Sess., 94 Stat. 3028 (1980). Having considered this extensive history, the district court concluded that it contradicted respondents' contentions that Congress did not intend the Act to "encompass all variety of developing technologies." Cert. App. 56a.

National Writers Union (which selected the respondents and funded this litigation), J.A. 447a, 459a, introduced a bill that would have altered the Section 201(c) compromise. S. 2138, 98th Cong., 1st Sess.; 129 Cong. Rec. 34,442 (1983), J.A. 731a, 737a. A new Section 201(f) would have permitted a freelance author to bring a federal cause of action to "reform or terminate" the automatic transfer of rights under Section 201(c) when the profits received by the publisher of a collective work "are strikingly disproportionate" to the "compensation" received by the author. S. 2138 § 2(3), J.A. 735a. The proposed cause of action provided that, at any time following a publisher's acquisition of rights under Section 201(c), a plaintiff could claim that

> the terms of the transfer have proven to be unfair or grossly disadvantageous to the author. The court shall decide the action in accordance with the principles of equity, and shall have discretion to reform or terminate the transfer on whatever terms it considers just and reasonable.

Id., J.A. 735a.

This bill would have provided a specific federal cause of action for the claim now advanced by respondents. In fact, one of the equitable factors freelancers suggested for determining if "the terms of the transfer have proved to be unfair" was whether "changes in business practices or media exploitation" had proven "disadvantageous to the author." Hearing on S. 2044 at 45, J.A. 720a (supplemental testimony of ASMP and The Graphic Artists Guild). In 1984, an identically worded bill was introduced in the House of Representatives. *See* H.R. 5911, 98th Cong., 2d Sess., 130 Cong. Rec. 17,729 (1984), J.A. 745a. Neither bill ever was reported out of committee, let alone voted on by either House of Congress.[26]

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26. This Court has overcome its reluctance to draw inferences from a congressional failure to act, *see Brecht v. Abrahamson*, 507 U.S.

(Cont'd)

II. The Electronic Copies In This Case Are Privileged Under Section 201(c).

As the text and legislative history establish, Section 201(c) permits periodical publishers to reproduce and distribute their publications electronically. Although Section 201(c) prevents a publisher from reproducing, revising or distributing an individual contribution apart from the remainder of the publications, that principle is not implicated here. Petitioners neither modify the underlying contributions in any respect, nor reproduce or distribute individual articles apart from the collective works of which they are parts. Once the Publishers' editorial selection regarding a given periodical issue is made, the entire editorial content of that issue is included in the electronic copies.

As to both NEXIS and CD-ROM, the facts belie the Second Circuit's characterization that the publishers are indirectly using the service to offer individual articles for sale. Both are marketed in the same way they are created: as repositories of complete periodicals. NEXIS, for instance, is described as "the world's most comprehensive collection," not of articles, but of "international, national and regional publications, such as *The New York Times*, Associated Press, Reuters, *Financial Times (of London)*, *Le Monde* and the *Financial Post*," along with other "trade publications,

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619, 632-33 (1993), when, as here, Congress rejects legislation that would have granted the relief sought in the litigation. *See FEC v. Democratic Senatorial Campaign Comm.*, 454 U.S. 27, 35-36 (1981) ("[I]nsofar as the intent of Congress is reflected in its failure to adopt a proposed amendment, a . . . strong[] inference can be found in the rejection by the 96th Congress of an amendment that would have expressly prohibited the movement of funds between state and national committees of a political party."); *Pacific Gas & Elec. Co. v. State Energy Resources Conservation & Dev. Comm.*, 461 U.S. 190, 220 (1983) (it would be "improper for us to give a reading to the Act that Congress considered and rejected").

newspapers, [and] reference data" found in "hard-copy libraries." J.A. 329a-30a. Similarly, UMI markets GPO as featuring "cover-to-cover reproduction of approximately 200 of the most requested general-interest periodicals." J.A. 332a.

The Second Circuit nonetheless found the Section 201(c) privilege inapplicable in this case because NEXIS does not contain the entire contents of the hard copy editions of the publications — *i.e.*, it lacks some "selection" — and it does not perfectly reflect how the articles were placed in the original hard copy editions — *i.e.*, it loses some of the "coordination" and "arrangement." Such minor differences are contemplated both by the nature of the ASCII text medium in which the works are fixed and by the "any revision" privilege. In any event, any such differences are entirely inapplicable to *GPO*, which reproduces, with photographic exactitude, the entire contents of each page of each issue of *The New York Times Book Review and Sunday Magazine*. As to all of the criteria that give collective works their independently copyrightable status, *GPO* is indistinguishable from the hard copy editions, and thus does not contain a "revision," but "that particular collective work."

A. Petitioners Sufficiently Preserve The "Selection" Of The Hard Copy Editions.

Even if the Second Circuit's factual characterization of the electronic copies were correct, it would be legally irrelevant, for the "revision" privilege permits a publisher to change significant elements of the original selection. As noted, the final language of Section 201(c) was arrived at only after extensive debate over the scope of the revision concept, including a description of permitted revisions in which a publisher could change one-half of the content of a collective work. Copyright Law Revision, Part 3 at 261, J.A. 591a.

This Court need not, however, address the farthest extremes of the revision privilege in this case, because the Second Circuit seriously mischaracterizes the nature of the

electronic copies at issue, which are correctly described by the district court's findings on the uncontested summary judgment record. Cert. App. 29a-32a. Just as they do with microfilm copies, petitioners have retained far more of their copyrightable selection than any reading of Section 201(c) requires by retaining the *entirety* —- and not just a substantial portion — of their protected editorial selection. Put simply, the electronic copies of the Publications undeniably retain the single most important defining attribute of their collective work status — the original, creative and protected expression inherent in selecting the articles that comprise the day's or week's news — and they therefore, under any test, fall within the "any revision" privilege of Section 201(c).[27]

Nor is there anything to the Second Circuit's assertion that the electronic copies fall outside the "revision" privilege due to the manner in which the publishers transmit data to NEXIS. The undisputed facts establish that NEXIS receives, on an issue-by-issue basis (daily for *The New York Times* and *Newsday*; weekly for *Sports Illustrated*), a copy of the same computer files the publishers use to create the print version of the periodicals. J.A. 476a. The same is true of the material delivered to UMI to assemble issues of *The New York Times* appearing on *NYTO* CD-ROMs. J.A. 479a. Moreover, the *GPO* CD-ROMs are scanned directly from the paper issues of the periodicals. J.A. 481a. In all cases, copies are mechanically added on a periodical-by-periodical basis, not, as the Second Circuit erroneously asserted, as

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27. In fact, the district court actually applied a stringent test to petitioners' electronic copies, analyzing whether they preserved a "significant" aspect of their collective works so that the revisions remain "substantially similar" to the original. Cert. App. 63a, 75a. Notwithstanding that rigorous standard, the court found it undisputed that a "defining original characteristic" — the "complete selection" of articles in each periodical — survives in the electronic edition "in such a way as to preserve the basic character of those periodicals." *Id.* 96a-97a (internal quotations omitted).

"separate files representing individual articles." Cert. App. 4a; *see id.* 29a-31a (describing process).[28]

B. Petitioners Sufficiently Preserve The "Arrangement" And "Coordination" Of The Hard Copy Editions.

The Second Circuit also erred in concluding that the Section 201(c) "revision" privilege was inapplicable because petitioners failed to preserve the "arrangement" or "coordination" of the hard copy editions of the periodicals. The court asserted that, because a newspaper's "initial page layout is lost, such as placement above or below the fold," Cert. App. at 4a, the newspaper in digitized form has lost "most of its arrangement" and therefore its copyrightable identity, making it a new work. *Id.* 15a.

In the first place, Section 201(c) plainly does not require that the electronic copies reflect the identical arrangement as the hard copy editions, for arrangement can be "revised" just as the selection of articles.[29] As the district court correctly concluded, "selection alone reflects sufficient originality to merit copyright protection." Cert. App. 69a. Thus, the Act expressly provides protection for materials "that are *selected*, coordinated, *or* arranged [to] constitute[ ] an original work of authorship." 17 U.S.C. § 101 (emphasis added).

Respondents' contributions, moreover, are tagged with information — such as the author's identity, the name of

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28. The analysis would be the same even if petitioners separated articles and transmitted them individually to NEXIS, so long as the electronic copies could be reasonably regarded as revisions of the hard copy publications. In order to prevail, respondents must identify a "work" that infringes the copyrights they hold in their individual contributions. The "work" in this instance is said to be the electronic copy of a periodical. For purposes of the infringement analysis, it makes no difference how the electronic copies, or the resulting libraries in which they reside, are assembled.

29. Indeed, even the 1990 revised version of a 1980 encyclopedia expressly contemplated by the Act's legislative history, *see supra* at 26, would have a different arrangement.

the periodical and the page number and column in which it appears — that defines their existence in terms of the initial appearance of the hard copy version of the periodical. These contributions, therefore, are presented as part of "a particular identified periodical, or . . . periodicals," Cert. App. 71a, just as is true, for example, of microfilm or hard copies stored on the shelves of library stacks. The only differences respondents identified in this case were those necessitated by the change in medium, *e.g.*, replacement of typesetting commands with electronic markers (Garson Cert. Opp. 9), loss of the original layout, columnization and page-breaks, if any (Tasini Cert. Opp. 3), and the omission of certain print-specific visuals such as ads, charts and photographs (*id.*). Such changes, dictated by the space and other limitations of ASCII text technology, fall well within the permissible scope of changes authorized by the "any revision" privilege, and are less extensive than the differences that may exist, for example, between the approximately one dozen different daily print editions of the *Times*.

Further, by focusing on paper-only arrangement, the Second Circuit's decision conflicts with the Act's bedrock principle of media neutrality: the differences identified by the Second Circuit as creating new infringing works — the exclusion of graphics and page layouts, and the ability to search articles by keywords — are inherent in, and thus dictated by, all sorts of media expressly contemplated by Congress, including such diverse formats as punch-cards, magnetic tapes and other forms of electronic storage. Electronic media, such as the NEXIS library, simply cannot duplicate print arrangements, because ASCII is a text-based, not photographical, code. *See* n.2 *supra*. The Second Circuit's insistence on "page layout" retention thus is "senseless"[30] and condemns an entire generation of

30. *See* Robert C. Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. (Cont'd)

electronic copies as infringing, a result completely at odds with the plain language of the Act. It also would force users to search each stored periodical sequentially, a requirement that would, of course, defeat the purpose and great utility of electronic media.

Consistent with the media-neutral approach of the entire Act, collective works are therefore defined disjunctively, as consisting of materials "that are selected, coordinated, *or* arranged" to make "an original work of authorship." 17 U.S.C. § 101 (emphasis added). The Second Circuit improperly replaced the word "or" with "and," thereby imposing on publishers of collective works an obligation to retain an "arrangement" that is not required by the Act. Preservation of selection alone adequately preserves the original copyrightable aspect of a collective work and paves the way for a permissible revision under Section 201(c) to be stored in a variety of electronic and other media.

III. The Second Circuit's Contrary Analysis Also Should Be Rejected Because It Conflicts With Fundamental Copyright Principles.

Numerous commentators have warned of the devastating effects of the Second Circuit's decision and the wholesale deletion of materials from electronic libraries it portends. *See* Cert. Pet. 13-14. This disruption is a function of the fact that the Second Circuit's decision violates longstanding copyright principles. First, because multiple editions of a periodical are stored together electronically, the Second Circuit incorrectly identified a "new anthology" of multiple

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L. Rev. 516, 531 (1981) (making the point that, because digital information is stored in bits and bytes scattered throughout the storage medium, it is "senseless to seek . . . a specific, fixed arrangement of data. There is simply a collection of information stored in an electronic memory – information that can be arranged and retrieved in variations limited only by the capabilities of the computer and the sophistication of the retrieval program").

editions rather than a collection of individual revisions. Cert. App. 17a. Second, because researchers may retrieve individual articles, it regarded the electronic copies as akin to the impermissible exploitation of individual contributions. The Second Circuit thus characterized NEXIS as "comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals [from which] articles . . . may be retrieved according to criteria unrelated to the particular edition in which the articles first appeared." *Id.* 14a, 16a (emphasis added).

As applied to the electronic copies involved in this case, the Second Circuit's analysis cannot be reconciled with core copyright principles set forth in the Act or with this Court's decisions in *Feist* and *Sony*. In addition to the manifest conflict with the Act's bedrock principle of media neutrality, the Second Circuit's reading of Section 201(c) cannot possibly be correct, because it would deem microfilm and microfiche to be infringing. Individual spools of microfilm routinely store multiple editions of a single periodical (often as much as a month's worth), but this does not convert them into a "new anthology" of individual editions any more than does the binding together of a year's worth of print periodical copies.[31] Moreover, they are used, just

31. Other examples are easily identified. Although Congress specifically intended, among other things, for a publisher of a volume of "a 1980 edition of an encyclopedia" to be able to "reprint an article" from that edition "in a 1990 revision," H.R. Rep. No. 1476, at 122, J.A. 706a, in the Second Circuit's view the same publisher could not, in order to make that encyclopedia easier to use, publish the revised 1990 copy on a CD-ROM with copies of other volumes comprising the rest of the encyclopedia. Such a revision would constitute a new and infringing collective work, by the Second Circuit's reasoning, because the original contributions in each volume "may be retrieved according to criteria unrelated to the particular [volume] in which the articles first appeared." Cert. App. 16a. Given that in the twelve years since the

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like the copies challenged by respondents, almost exclusively by researchers to locate and copy individual articles. Thus, whether one uses the *Reader's Guide to Periodical Literature* to identify pertinent articles and to access them from paper periodicals or microfilm spools on shelves in a library's stacks or uses the search engine and indices of NEXIS or UMI's CD ROMs, the process and the copyright status of the works and copies used are equivalent in every sense.[32] That a given search request may call for searching multiple libraries and produce results from multiple periodicals does not alter the compilation copyright of each individual periodical.

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first CD-ROM encyclopedia appeared "it has become by far the dominant format and has made encyclopedias far more available," such a result is untenable. Matthew L. Wald, *Reference Disks Speak Volumes*, N.Y. Times, Feb. 26, 1998, at G12. The Second Circuit's analysis creates risks to publishers and the public that are far from theoretical. National Geographic has been sued by freelance contributors for having reissued all of its prior paper copies on 30 CD-ROM discs entitled "The Complete National Geographic 108 Years of National Geographic Magazine on CD-ROM." *See Faulkner (Douglas) v. National Geographic Soc'y*, No. 97 Civ. 9361 (S.D.N.Y.); *Faulkner (Sally) v. National Geographic Soc'y*, No. 99 Civ. 12488 (S.D.N.Y.); *Greenberg v. National Geographic Soc'y*, No. 97-3924-civ (S.D. Fla.).

32. The Second Circuit further erred by holding that the "any revision" language of Section 201(c) "protects only later editions of a particular issue of a periodical, such as the final edition of a newspaper." Cert. App. 10a. Indeed, even this example of a permissible revision would be infringing under the Second Circuit's insistence on the preservation of arrangements. The "final edition of a newspaper" often alters the "arrangement" of the earlier editions in significant ways, as when a breaking story, placed above the fold, might move an earlier story below the fold, or to a different page entirely.

A. The Decision Below Conflicts With This Court's Analysis Of Direct Copyright Infringement In *Sony*.

The Second Circuit's analysis was improperly end-user driven. Rather than carefully examining the contents of the allegedly infringing copies, it erred by allowing potential third-party retrievals of individual articles to determine whether there has been direct infringement. "Third party conduct would be wholly irrelevant in an action for direct infringement." *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 446 (1984). Because the infringement claims in this case are based entirely on the petitioners' own acts of reproducing and distributing copies of the particular collective works on CD-ROMs and in the NEXIS library, under fundamental copyright law, it was the content of those allegedly directly infringing copies, as they were created and fixed on an issue-by-issue basis, that should have been considered. [33] This the Second Circuit failed to do, except for its erroneous and unsupported conclusion that the electronic copies involve "stripping" the periodicals into their component articles. Cert. App. 4a.

The Second Circuit's own common sense analysis in *Matthew Bender & Co. v. West Publishing*, 158 F.3d 693 (CA2 1998), *cert. denied*, 526 U.S. 1154 (1999), demonstrates how irrelevant third-party use is in direct infringement claims involving the manipulation of database search engines. The *Matthew Bender* court rejected a direct infringement claim based on the very argument asserted here:

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33. The respondents themselves have admitted that "[t]his is not a case in which we have accused the defendants . . . of manufacturing or distributing machines or equipment that can be used by third parties in an infringing way." J.A. 352a. Such a claim, respondents acknowledge, would have permitted the petitioners to raise such defenses as the *Sony* defense of "non-infringing uses." *Id.* Because they did not assert such a claim, the only acts of reproduction and distribution properly before the Court are those that occurred when the publishers transmitted their periodicals to NEXIS and UMI, and when those licensees created the copies in dispute.

that data fixed in no particular manner (other than by coding) on a CD-ROM could be arranged by an end-user to create an infringing configuration. It recognized that "CD-ROM technology is different from paper . . . because the file-retrieval system allows users to retrieve cases in a variety of ways" that are unrelated to the original arrangement on the CD-ROM copy. *Id.* at 705. It refused, however, to take the erroneous next step of concluding that direct copyright infringement arises from a hypothetical user's ability to create an infringing work using "electronic scissors." *See id.* at 706.[34] In both the UMI CD-ROM products and in NEXIS, it is the manipulation of the retrieval system — not the contents of any revised copy — that allows articles to be "recombined" with other articles in a new anthology or downloaded individually. Petitioners, therefore, never make any copy of an article that is or could be regarded as directly infringing.

B. The Decision Below Conflicts With Congress' Goal To Encourage The Development Of New Technologies And Will Result In Wholesale Deletion Of Freelance Contributions.

This Court has stated its "consistent deference to Congress when major technological innovations alter the market for copyrighted materials." *Sony*, 464 U.S. at 431. This basic precept ensures that, not only with respect to this case but even more generally, publishers and their licensees will be afforded certainty regarding the copyright status of their works as they invest in new technologies to promote "the general public good." *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). Accordingly, this Court should reject the Luddite-like approach reflected in the

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34. In fact, far from showing that the copies in dispute were regularly used to access their individual Articles as such, at no point in this litigation did respondents ever demonstrate that, apart from their own searches, anyone had ever used the periodical copies in dispute to do so.

Second Circuit's medium-specific analysis and leave in place the Section 201(c) compromise adopted by Congress and correctly applied by the district court. *Sony*, 464 U.S. at 431 (Congress has the "institutional ability to accommodate fully the varied permutations of competing interests implicated by 'new technology.' ").

The Second Circuit's decision will have devastating real world effects if it is not reversed. Its holding that electronic copies at issue here infringe will render every publisher that distributes its issues electronically, and every database provider and every manufacturer of CD-ROMs that contain such periodicals, an infringer of copyright. Petitioners and those similarly situated will have no alternative but to destroy any CD-ROMs that contain freelance articles and remove all freelance contributions from electronic libraries, because they obviously cannot locate and negotiate with thousands of freelance authors, their heirs and/or assigns, in the face of the "tidal wave" of lawsuits respondent Tasini has threatened and has now begun to deliver. Cert. Pet. 12-13. In fact, publishers across the nation already have assembled instructions for their electronic copy licensees to begin the deletion process, but for the stay granted below and this Court's having granted certiorari, the nation's electronic archives would already have been rendered egregiously incomplete.[20]

Such a result would be untenable, given Congress' understanding of publishing practices and electronic information-storage and retrieval systems in 1976, and the long-standing reliance of publishers and their licensees for nearly twenty years thereafter, until this case was brought. *See Sony*, 464 U.S. at 456 ("One may search the Copyright Act in vain for any sign that the elected representatives of

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20. Michael Rogers & Norman Oder, *U.S. News Pulls Microfilm Contents*, Library Journal, Oct. 1, 2000, at 16-17 (reporting that *U.S. News and World Report* has pulled freelance articles from microfilm as a result of the Second Circuit's decision).

the millions of people who watch television every day have made it unlawful to copy a program for later viewing at home, or have enacted a flat prohibition against the sale of machines that make such copying possible.") A proper analysis of Section 201(c) demonstrates that such a result is unnecessary as well.

CONCLUSION

For the foregoing reasons, this Court should reverse the judgment of the Second Circuit and remand with instructions that judgment be entered in favor of petitioners.

Respectfully submitted,

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APPENDIX

APPENDIX — SELECTED PROVISIONS OF THE COPYRIGHT ACT OF 1976

17 U.S.C. § 201(c)

§ 201. Ownership of copyright

* * *

(c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

* * *

17 U.S.C. § 101

§ 101. Definitions

Except as otherwise provided in this title, as used in this title, the following terms and their variant forms mean the following:

> An "anonymous work" is a work on the copies or phonorecords of which no natural person is identified as author.

Appendix

An "architectural work" is the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings. The work includes the overall form as well as the arrangement and composition of spaces and elements in the design, but does not include individual standard features.

"Audiovisual works" are works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

The "Berne Convention" is the Convention for the Protection of Literary and Artistic Works, signed at Berne, Switzerland, on September 9, 1886, and all acts, protocols, and revisions thereto.

The "best edition" of a work is the edition, published in the United States at any time before the date of deposit, that the Library of Congress determines to be most suitable for its purposes.

A person's "children" are that person's immediate offspring, whether legitimate or not, and any children legally adopted by that person.

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number

of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

"Copyright owner", with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

Appendix

A "derivative work" is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a "derivative work".

A "device", "machine", or "process" is one now known or later developed.

A "digital transmission" is a transmission in whole or in part in a digital or other non-analog format.

To "display" a work means to show a copy of it, either directly or by means of a film, slide, television image, or any other device or process or, in the case of a motion picture or other audiovisual work, to show individual images nonsequentially.

An "establishment" is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

Appendix

A "food service or drinking establishment" is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

The term "financial gain" includes receipt, or expectation of receipt, of anything of value, including the receipt of other copyrighted works.

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

The "Geneva Phonograms Convention" is the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, concluded at Geneva, Switzerland, on October 29, 1971.

The "gross square feet of space" of an establishment means the entire interior space of that establishment,

and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.

The terms "including" and "such as" are illustrative and not limitative.

An "international agreement" is —

(1) the Universal Copyright Convention;

(2) the Geneva Phonograms Convention;

(3) the Berne Convention;

(4) the WTO Agreement;

(5) the WIPO Copyright Treaty;

(6) the WIPO Performances and Phonograms Treaty; and

(7) any other copyright treaty to which the United States is a party.

A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

"Literary works" are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the

nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.

"Motion pictures" are audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

To "perform" a work means to recite, render, play, dance, or act it, either directly or by means of any device or process or, in the case of a motion picture or other audiovisual work, to show its images in any sequence or to make the sounds accompanying it audible.

A "performing rights society" is an association, corporation, or other entity that licenses the public performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.

"Phonorecords" are material objects in which sounds, other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "phonorecords" includes the material object in which the sounds are first fixed.

"Pictorial, graphic, and sculptural works" include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned; the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

For purposes of section 513, a "proprietor" is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment or a food service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.

Appendix

A "pseudonymous work" is a work on the copies or phonorecords of which the author is identified under a fictitious name.

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.

"Registration", for purposes of sections 205(c)(2), 405, 406, 410(d), 411, 412, and 908(a), means a registration of a claim in the original or the renewed and extended term of copyright.

To perform or display a work "publicly" means —

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable

of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.

"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied.

"State" includes the District of Columbia and the Commonwealth of Puerto Rico, and any territories to which this title is made applicable by an Act of Congress.

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

A "transmission program" is a body of material that, as an aggregate, has been produced for the sole purpose of transmission to the public in sequence and as a unit.

To "transmit" a performance or display is to communicate it by any device or process whereby

images or sounds are received beyond the place from which they are sent.

A "treaty party" is a country or intergovernmental organization other than the United States that is a party to an international agreement.

The "United States", when used in a geographical sense, comprises the several States, the District of Columbia and the Commonwealth of Puerto Rico, and the organized territories under the jurisdiction of the United States Government.

For purposes of section 411, a work is a "United States work" only if —

(1) in the case of a published work, the work is first published —

(A) in the United States;

(B) simultaneously in the United States and another treaty party or parties, whose law grants a term of copyright protection that is the same as or longer than the term provided in the United States;

(C) simultaneously in the United States and a foreign nation that is not a treaty party; or

(D) in a foreign nation that is not a treaty party, and all of the authors of the work are nationals, domiciliaries, or habitual residents of, or in the case of an audiovisual work legal entities with headquarters in, the United States;

(2) in the case of an unpublished work, all the authors of the work are nationals, domiciliaries, or habitual residents of the United States, or, in the case of an unpublished audiovisual work, all the authors are legal entities with headquarters in, the United States; or

(3) in the case of a pictorial, graphic, or sculptural work incorporated in a building or structure, the building or structure is located in the United States.

A "useful article" is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article that is normally a part of a useful article is considered a "useful article".

The author's "widow" or "widower" is the author's surviving spouse under the law of the author's domicile at the time of his or her death, whether or not the spouse has later remarried.

* * *

Appendix

17 U.S.C. § 103

§ 103. Subject matter of copyright: Compilations and derivative works

* * *

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

* * * *

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No. 00-201

Supreme Court, U.S.
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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS; and DAVID S. WHITFORD,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

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BEST AVAILABLE COPY

QUESTION PRESENTED

Whether a periodical publisher's Copyright Act § 201(c) privilege to reproduce and distribute an author's individually copyrighted article in "any revision of [the periodical issue in which the article originally appeared]" encompasses the privilege to reproduce and distribute such an article (i) as a freestanding work, or (ii) in a new anthology of articles entirely different from the periodical issue in which the article first appeared.

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STATEMENT OF THE CASE

A. Statement of the Facts

1. Respondents Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins, and David S. Whitford are freelance authors. J.A. 67a. Petitioners New York Times Company, Inc., Newsday, Inc., and Time Incorporated Magazine Company (collectively the "Periodical Publishers") publish the New York Times, Newsday, and Sports Illustrated. J.A. 470a, 473a, 474a. Between 1990 and 1993, each of the six Respondents wrote and contributed to those periodicals a total of 21 articles. J.A. 67a-68a.

None of the Respondents was an employee of any of the Periodical Publishers when their contributions to the periodicals were published, and none of the 21 works at issue in this case was written pursuant to a "work for hire" agreement within the meaning of the Copyright Act. J.A. 67a. That being so—and this is undisputed—the copyright in each of the 21 contributions at issue "vest[ed] initially in the author of the contribution," and not in the Periodical Publisher who published the contribution in an issue of its periodical. 17 U.S.C. § 201(c). Given the rulings below and the scope of the Question Presented, it is further undisputed that, while Respondents authorized the Periodical Publishers to include their articles in the periodical publications, none of the individual Respondents entered into any valid contract or licensing agreement with any of the Periodical Publishers that had the effect of divesting or diminishing the Respondents' copyright in the contributed articles.[1]

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[1] In the courts below, there was litigation concerning (i) the lawfulness of Petitioner Newsday's practice of attempting to secure assignments of copyrights from Respondents Tasini, Garson, and Whitford through a legend stamped on the backs of checks issued to those Respondents after their articles had been written and published; and (ii) the scope of a formal

2. The New York Times is a general interest newspaper published daily. J.A. 470a. Each daily edition contains on the order of 200 to 600 separate news and feature articles organized into several topical sections, such as the front page section, the business section, and the sports section. The Sunday edition of the New York Times includes certain sections that do not appear on any other day, including the Book Review section and the Magazine section. J.A. 95a. Each page of each section typically contains several articles, as well as photographs or other pictorial and graphic elements, the arrangement of which is determined by Times editors. *See, e.g.*, Lodged Materials, Vol. II ("L-II"), p.1. Some of the articles in a given edition of the Times are written by paid staff employees of the Times (and therefore are "works made for hire"); other articles are written by freelance authors such as Respondents who have no employment relationship with the Times. J.A. 482a-483a.

Newsday is also a daily general interest newspaper. And, like the New York Times, each edition of the newspaper consists of a number of articles as well as various pictorial and graphic elements. L-II, p.17. The articles in Newsday include both works-for-hire and freelance contributions. J.A. 482a.

Sports Illustrated is a weekly sports magazine, each issue of which contains numerous articles, including both works-for-hire and freelance contributions. J.A. 482a. Sports Illustrated also contains pictorial and graphic elements, including a cover, advertisements, many photographs, and a variety of other non-text features. L-II, pp. 28-33.

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agreement between Respondent Whitford and Time, Inc. concerning the parties' respective rights in a Sports Illustrated article written by Whitford. *See* Pet. App. 3a, 18a. The Second Circuit ruled in favor of Respondents on those issues, and Petitioners have not sought review of those rulings in this Court. *Id.* at 3a n.1, 21a-22a.

3. Petitioners LEXIS/NEXIS and University Microfilms International ("UMI") (collectively the "Electronic Publishers") republish written works in three different electronic forms.

(A) NEXIS

(i) Petitioner LEXIS/NEXIS maintains "NEXIS," a digital database comprised of millions of articles from selected newspapers and periodicals. LEXIS/NEXIS provides individual articles and compilations of articles electronically to subscribers for a fee. J.A. 83a. Pet. App. 3a-4a. The articles in NEXIS originate from, and are licensed from, hundreds of different publications; the three periodicals at issue here constitute a small fraction of the licensing publications. J.A. 216a-328a; Pet. App. 3a-4a.

Each article is stored in the NEXIS database system as an individual file, and each file has its own individual file identifier. J.A. 83a. Each file contains (i) the text of the article as the text appeared in the originating periodical; and (ii) various electronic codes (including author, subject, and other codes, *see infra*) that enable the NEXIS software to cull the article from the mass of articles in the database, to link the article to other articles in the database, and to provide computer displays, printouts, and "downloads" (*i.e.*, electronic copies and transfers) of individual articles and/or groups of articles. J.A. 190a.

At any given time, the contents of NEXIS are fixed and stored in electronic form in a master file made up of the millions of individual files/articles that have been compiled to that point. J.A. 83a-84a. At the same time, additional articles/files are being added to NEXIS at least daily. *See* J.A. 89a. Before those articles/files are made part of the database, an electronic copy is made of the entire pre-existing version of NEXIS, which copy is stored off-line in electronic form and given a designation, such as NEXIS "Generation

100." J.A. 83a. The new and additional articles/files are then "streamed" and merged into that off-line copy one by one. J.A. 83a-84a. When the process of adding the new articles/files is complete, the updated version of the compilation is separately designated, *e.g.* as NEXIS "Generation 101," and, in the terminology of NEXIS, is then "promoted" to the public in lieu of "Generation 100." *Id.*

As noted above, the individual articles/files that make up NEXIS each contain numerous electronic codes that are invisible to the NEXIS user. Some of the codes are added by the originating Periodical Publisher and the remainder by NEXIS. J.A. 82a. The codes enable the NEXIS operating software to identify the individual article/file from the others in the database according to any one of dozens of identifiers, including author, topic, keyword, date, words or phrases from the text of the article, or name of publication—or according to any *combination* of the various identifiers. J.A. 84a-85a.

The codes also enable the NEXIS software to execute "Boolean" searches of the database—searches using the connectors "and," "or," and "but not"—so that the NEXIS software can, in a single pass, compile from the mass of articles in the database, for example, all articles containing *either* the word "porpoises" *or* the word "dolphins" but *not* the phrase "Miami Dolphins." *See* J.A. 84a-85a.

A person can secure the NEXIS display—and/or printout or download—of the database articles by becoming a NEXIS subscriber, obtaining a password, and (with a few exceptions not pertinent here) by agreeing to pay a fee for use. J.A. 84a, 388a. When a subscriber enters her password and gains access to the database, she is presented, not with the text of any article, but rather with a menu asking her to identify a source, or a set of NEXIS files—denominated by NEXIS as either a "group file" or a "library," J.A. 85a—from which the subscriber would like to have NEXIS display, print out, or

download articles. *See* J.A. 84a-85a. Many of the NEXIS sources—including, for example the "Newsgroup File-All" source—encompass articles/files drawn from hundreds of newspapers, magazines, and other periodicals electronically linked together through NEXIS' internal codes. *See* J.A. 84a, 216a-328a, 330a.

As can readily be determined by accessing NEXIS, the subscriber, for example, can choose the "Newsgroup Files-All" source and, by entering a simple "author" or "byline" search, can cause the NEXIS software to pull up and display every article from every journal, magazine, and newspaper source within the NEXIS database by a particular author. If the search is for the articles authored by, *e.g.*, Stephen Jay Gould—and there are 98 such articles from 27 different publications—then NEXIS will display either (i) a numbered *list*, in reverse chronological order, of the titles of *all* of the 98 Gould articles, along with other identifying information including the word count of the article and the source periodical's name and date of issue; (ii) the *full text* of the 98 articles on that list in the same sequence (with the text of the first document appearing first and the text of the remaining documents accessible through a click of the "next document" button); or (iii) those portions of the articles that contain text within a certain number of words (usually 25) of the search term. *See* J.A. 85a-87a.

The NEXIS system not only provides computer displays of individual articles to subscribers, but also prints in hard copy form the full text of such articles and makes electronic copies of such articles—copies which can be downloaded to the subscriber's own electronic files for "off-line" use (*i.e.*, for use after the subscriber's telecommunication contact with NEXIS has been terminated). J.A. 90a. Thus, to return to the illustration, a NEXIS subscriber interested in a copy of the 98 Stephen Jay Gould articles in the "Newsgroup File-All" source can secure a NEXIS printout or download of the

complete text of those articles, and a NEXIS user interested in a copy of Gould's 1998-1999 articles can secure a NEXIS printout or download of that more limited compilation of articles.

Whether NEXIS provides an article by display, download, or printout, only the text of the article is provided, and not any of the pictorial, graphic, or layout elements of the article as it appeared in the print publication from which it originated. *See, e.g.*, L-II, pp. 89-91. And regardless of whether or not the article is an author-copyrighted contribution, the copyright notice that NEXIS appends to the article attributes copyright in the article to NEXIS and to the originating periodical, but *not* to the author of the article. J.A. 90a.

One of the almost infinite available combinations of articles that the NEXIS system can provide through a computer display, printout, or download is a compilation of all articles appearing in NEXIS drawn from a particular periodical issue—a compilation that can be assembled through the use of the "date" and "publication" identifiers. J.A. 88a. Given NEXIS' make up as a database of individual files/articles, the results of a search for articles from a particular day's edition will be displayed as a list or series of individual articles presented in an order that does not (except by sheerest coincidence) reflect the order in which the articles appeared in the original print issue. J.A. 502a-503a.

(ii) NEXIS operates under a series of licensing agreements in which the Periodical Publishers authorize not only reproduction and distribution of a particular periodical issue as a whole, but also reproduction and distribution of "any portion" thereof.

(a) The New York Times-LEXIS/NEXIS License

On January 31, 1983, the New York Times and LEXIS/NEXIS entered into a licensing agreement, which was in effect when all of the articles at issue in this case were first published in the Times. The agreement, in an attachment styled "Exhibit A," defines the term "Licensed Times Materials" to include "future sections and editions (including regional and national editions) of *The New York Times*, . . . excepting therefrom photographs, crossword puzzles, other graphic material and advertisements." J.A. 98a. The body of the licensing agreement then proceeds to grant to LEXIS/NEXIS "an exclusive worldwide copyright license" to "sell and display, publicly or privately," through "computerized electronic coded retrieval systems to which customers gain access through terminals," "all and *any portion of* the material set forth in Exhibit A (the 'Licensed Times Material')." Materials Lodged with Certiorari Petition, vol. 3, Exh. 38 at M3689 (emphasis added); J.A. 98a. The agreement further authorizes LEXIS/NEXIS to "sublicense" the rights LEXIS/NEXIS has obtained from the Times. *Id.* And, while the Times/LEXIS-NEXIS agreement grants LEXIS/NEXIS the right to sell and display all and "any portions of" the editions under license—including individual articles—the agreement explicitly *denies* LEXIS/NEXIS the "right to display or produce facsimile reproductions of The New York Times." J.A. 98a.

Each night, after the day's newspaper has been printed, the Times selects out of the day's edition the news and feature articles and, in line with the terms of the license provision permitting NEXIS to electronically publish "all and *any portions* of the [Times] materials," prepares a series of individual electronic files, each of which contains the text of one article. J.A. 73a. In so doing, the Times takes a number of steps to make the article/files searchable and displayable *as individual article/files*, including, *inter alia*, coding each file

according to such criteria as author, topic, keyword, etc. J.A. 75a-78a. "In the process, a substantial portion of what appears in that particular issue of the periodical is not made part of a file transmitted to [LEXIS/NEXIS] including among other things, formatting decisions, pictures, maps, tables, and obituaries." Pet. App. 4a.

The Times then transmits that series of article/files to NEXIS, J.A. 78a, and NEXIS, as we have seen, further codes each article/file and then adds the series of article/files to the NEXIS database. J.A. 81a, 83a-84a.[2]

(b) The Newsday-NEXIS License

Articles from Newsday first appeared in NEXIS in 1988 pursuant to an April 21, 1988 licensing agreement. That

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[2] A series of new individual files may be added to an electronic database in a particular sequence, but once the files are stored inside the computer drive housing the database, the computer's storage system will, with each use of the database, continuously reconfigure the arrangement of the files so that their storage arrangement no longer reflects their original sequence. The system performs these reconfigurations so as to ensure that the storage space continues to be utilized as efficiently as possible. As one scholar has put it:

> [A] computational system cares about how information flows within it, not about how the system takes up space. In computers a program or file may end up in different parts of the memory or disk when loaded onto two machines or onto one machine on different occasions, and it may be fragmented across far-flung regions of the disk or memory. As long as the information is preserved and the regions are properly linked, the program can work perfectly, even though we can never draw a circle around the part of the memory or disk that contains it. [S. Pinker, *Words and Rules* (Basic Books, 1999) 242.]

Thus, one cannot open up a computer and "draw a circle" around the group of files that contain, say, the text of articles constituting a particular issue of Sports Illustrated. While those files may share a "publication" and "date" code in common, those files are no more (and no less) closely linked to each other than files sharing the same "topic" and "author" code. *See also* Pet. Br. 43-44 n.30.

agreement, in its "Schedule A," defines the "Licensed Materials" as "all stories from Newsday" except for, *inter alia,* "Graphic materials," "Weather Forecast[s]," "Paid Death Notices," "Selected Wire Services," and "*Selected Syndicated Materials and Freelance Materials.*" J.A. 105a (emphasis added).[3] The licensing agreement begins by granting LEXIS/NEXIS "a non-exclusive world-wide license ... to use and *authorize use by others* of all or *any portion of* the information and materials identified in Schedule A hereto (the "Licensed Materials") in connection with [LEXIS/ NEXIS'] development, creation, rendition, *display, dissemination and distribution,* directly or through third parties, *of computer-assisted information products or services.*" [*Id.* (emphasis added)].

The license then goes on to particularize the rights included within the license:

> The rights embraced by the License include, but are not limited to, the right to display *and authorize displays of* Licensed Materials by means of computer-assisted devices, telecommunications and systems; the right to reproduce *and authorize reproduction of* Licensed Materials in visually perceptible or machine-readable copies in connection with computer-assisted information products or services. [J.A. 104a].

Thus, like the Times, Newsday authorized NEXIS to use all or "any portion" of the materials under license, with no

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[3] By excluding "selected" freelance materials, Newsday evidently was reserving the right to refrain from providing and licensing to NEXIS the use of individually copyrighted materials as to which Newsday was unable to secure assignments. Apparently because Newsday believed (erroneously it turned out) that it could validly secure copyright assignments from freelancers by means of legends stamped on the back of the checks issued to them, *see* note 1 *supra* and Pet. App. 3a n.1, Newsday did not select any of the Respondents' articles for exclusion from the materials licensed and transmitted to NEXIS.

restriction requiring articles from the same edition to be displayed or filed together as single units. And, just as the Times authorized LEXIS/NEXIS to grant sublicenses of Times materials, Newsday expressly authorized LEXIS/NEXIS to authorize NEXIS subscribers to reproduce and display all or any Newsday stories.

Pursuant to the license, Newsday each night transmits to LEXIS/NEXIS the licensed portions of a particular day's edition of the paper as a series of individual electronic files/articles, each of which is separately coded. J.A. 78a.

(c) The Time, Inc.-LEXIS/NEXIS License

On or about November 27, 1990, Time Inc. entered into a licensing agreement with LEXIS/NEXIS that was nearly identical to Newsday's. The "Licensed Materials" included all of the contents of the Time publications except, *inter alia*, "All material appearing on the cover page," "Graphic materials," and "Special issues of a publication (e.g. Sports Illustrated Year in Sports). . . ." J.A. 106a-107a. And, the license extended to LEXIS/NEXIS "the right to use and authorize use by others of all or *any portion*" of the materials, and "the right to reproduce and authorize reproduction of Licensed Materials in copies (including printed, electronically displayed, and machine-readable copies) in connection with computer-assisted information products or services." J.A. 107a (emphasis added).

Pursuant to the license, Sports Illustrated sends NEXIS a magnetic tape every week containing, in separate files, each article from the previous week's issue of the magazine. J.A. 78a.

(B) New *Y*ork Times OnDisc (NYTO)

(i) Respondent UMI's "The New York Times OnDisc," is a set of CD-ROMs, or computer-readable compact discs. The CD-ROM's store, in separate electronic files containing one

article per file, the text of New York Times articles from 1981 to the present—the very same "text-only" New York Times articles/files in NEXIS during that same period. J.A. 90a, 369a. Indeed, UMI receives the electronic text article/files that it encodes onto disc directly from *NEXIS*, and *not* from the New York Times. J.A. 102a, 90a.

As is the case with respect to the individual New York Times articles in NEXIS, each individual article in New York Times OnDisc is marked with codes, invisible to the user, that (i) enable the software operating the discs to cull the article from the mass of other articles, and (ii) electronically link one article to another. J.A. 91a.

(ii) The New York Times OnDisc is created and distributed pursuant to a three-way New York Times-LEXIS/NEXIS-UMI licensing agreement. J.A. 90a. The agreement distinguishes between "image" CD-ROM products, *i.e.*, products that display photographic or facsimile images of newspaper pages; and electronically coded "ASCII" CD-ROM products, *i.e.*, coded storage-and-retrieval products that display only the text of articles. J.A. 101a-103a. The agreement then assigns to UMI the "exclusive worldwide copyright license to manufacture and sell CD-ROM (ASCII) format versions of textual . . . materials" from the New York Times, and further provides that UMI is to obtain the individual articles that make up the contents of the CD-ROM's directly from LEXIS/NEXIS and not from the Times. J.A. 102a, 90a.

(C) General Periodicals On Disc (GPO)

(i) UMI's "General Periodicals OnDisc" is a set of CD-ROM's containing (i) articles from more than 200 publications or sections of publications from 1988 forward, J.A. 331a, 380a; and (ii) abstracts and indices of the articles designed to facilitate retrieval, display, and reproduction of

the individual articles by topic, author, and other criteria. J.A. 95a. Unlike NEXIS and The New York Times OnDisc, General Periodicals OnDisc displays facsimile images of the articles contained within it. J.A. 379a. Those images are created by a device that scans the original pages of the periodicals one by one and converts each page into an electronic computer-readable image. J.A. 380a. Like NEXIS, GPO identifies, displays, and prints individual *articles*, and not *issues* or *editions* of a periodical, in response to search requests. As UMI describes the product in its promotional literature:

> General Periodicals OnDisc (GPO) provides exact reproductions of *articles* in image format from approximately 200 of the most frequently used general-interest periodicals. . . . Users search the abstract-and-index database, locating and reviewing relevant citations and abstracts, then retrieve and print complete *article* copies from the image database—all with just a few keystrokes. [J.A. 331a (emphasis added).]

A user of General Periodicals OnDisc can thus retrieve a list of all articles on, say, the topic of "missile defense," and, by entering the citations generated by the list, cause the software operating the database to display or print out hard copies of all or any combination of the listed articles. Only the pages of the periodical issue containing the identified articles are displayed and/or printed, not the entire periodical issue. *See* L-II, pp. 144-145 (GPO printout of Respondent Mary Kay Blakely's 9/23/90 New York Times Magazine article which begins on page 26 and jumps to page 76).

The only New York Times materials available on General Periodicals OnDisc are the Book Review and Magazine *sections* of the New York Times Sunday edition; the

remaining sections of the Sunday edition are not available on GPO. J.A. 101a-102a.[4]

(ii) In 1989, the New York Times and UMI executed an agreement that permitted UMI to create a CD-ROM image product (later named General Periodicals OnDisc) that would include images of the Book Review and Magazine sections of the Sunday New York Times, along with materials from other periodicals, but not other sections of the New York Times. J.A. 101a-102a.

The licensing agreement provided that, although the contents of the Book Review and Magazine "will not be stored or made available as 'text' but as a facsimile of the entire page," articles could be searched and displayed as part of a page through the use of an electronic indexing system J.A. 101a-102a & n.28.

4. In the 1990-1993 period, each of the 21 articles authored by the six Respondents was published by one or the other of the Periodical Publishers. J.A. 68a-69a. After publication of the pertinent article, the Periodical Publisher provided the article to one or more of the Electronic Publishers, who in turn republished the article in electronic form. J.A. 90a.

B. Proceedings Below

On December 16, 1993, the Respondent authors filed suit in the U.S. District Court for the Southern District Court of New York alleging that the Periodical Publishers, by

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[4] The New York Times continuously registers copyrights in its daily and Sunday editions as the newspapers are published. At all times relevant here, the Times, in the registration forms submitted to the U.S. Copyright Office, treated the Book Review and Magazine sections of the Sunday Times as just that—sections of that day's newspaper—and *not* as independent publications. *See, e.g.*, L-II, p. 178.

licensing the republication of Respondents' copyrighted articles in the manner described above, and the Electronic Publishers, by republishing those articles in the manner described above, infringed the authors' copyrights in the articles. *See, e.g.*, J.A. 31a-32a ("[N]either Defendant New York Times nor Defendant [LEXIS/NEXIS] has ever obtained plaintiff['s] . . . consent to the inclusion of the article [authored by plaintiff] in an electronic database nor to the distribution, transmission and/or communication of an electronic copy to the public. . . . The conduct complained of . . . has violated and continues to violate . . . plaintiff's exclusive rights under the copyright [in the article] . . . in that it interferes with plaintiff's exclusive right to reproduce or license reproduction of the copyrighted work, to distribute or license distribution of copies of the copyrighted work, to publicly . . . display the copyrighted work . . . and to authorize all of the same.")

At the conclusion of discovery, the parties filed cross motions for summary judgment. The Respondent authors argued that the Petitioner publishers' reproduction and distribution of the authors' copyrighted contributed articles was outside the bounds of the three delimited privileges accorded by § 201(c) of the Copyright Act and therefore constituted infringement of the authors' copyrights. The Petitioners, for their part, asserted that § 201(c) privileges these reproductions and distributions of the authors' contributions.

The District Court granted summary judgment in favor of the Petitioner publishers on the theory that NEXIS and the other electronic databases were "revisions" of each and every periodical issue contained within the databases, and that inclusion of the authors' articles in the databases was within the § 201(c) privilege for reproducing and distributing an author's contribution to a periodical issue in a "revision of that [periodical issue]." Pet. App. 76a.

The Second Circuit reversed in a unanimous opinion by Judge Winter. The Second Circuit held that, because "NEXIS is a database comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals," "[i]t can hardly be deemed a 'revision' of each edition of every periodical that it contains." Pet. App. 14a. The other two electronic databases likewise "c[ould] not be said to be a 'revision' of any (or all) particular editions" contained therein, but instead were "new antholog[ies]." Pet. App. 17a. And, because the databases were not revisions of the pertinent periodical issues, the court of appeals reasoned, the publishers exceeded the § 201(c) privilege and infringed the authors' copyrights. *Id.*

SUMMARY OF ARGUMENT

1. Section 201(c) of the Copyright Act confirms that, in the absence of an express agreement to the contrary, an author who contributes an article to a "periodical issue"—or to any other "collective work" as defined in § 101 of the Act—retains ownership of the copyright in the contributed article.

Section 201(c) also grants the periodical publisher—as the "collective work" copyright owner of the periodical issue—the delimited privileges to reproduce and distribute the author's contribution as part of (i) "that particular" periodical issue, (ii) "any revision of that" periodical issue; and (iii) "any later [periodical issue] in the same series."

The Petitioner publishers invoke the second of § 201(c)'s three stated privileges, and claim that they are reproducing and distributing to the public electronic copies of their periodical issues and that this activity is within their § 201(c) privilege to publish "any revision" of these periodical issues.

It is the Respondent authors' position that what Petitioners are doing is making electronic reproductions and distributions

of the authors' copyrighted contributed articles (i) as freestanding works, and (ii) in compilations of articles that are entirely different "collective works" from the periodical issue in which the article originally appeared, and that each of these electronic publishing activities is well outside the § 201(c) privilege.

2. Section 201(c) recognizes two distinct copyrights: the author's copyright in her contribution to a periodical issue, and the publisher's copyright in the periodical as a collective work. The § 201(c) privileges prevent any resulting impasse between these copyright owners by permitting the publisher to reproduce and distribute the periodical issue without any express copyright grant from the authors of the contributed articles. This privilege thus facilitates the publication of periodicals and other collective works in a manner that does not disturb the author's copyright in her contributed article.

The second § 201(c) privilege—which permits a periodical publisher to reproduce and distribute an author's copyrighted article in "any revision of" the periodical issue in which the article originally appeared—is at the center of this case.

Given the standard meaning of "revision," the Copyright Act's definition of "collective work," and the Act's characterization of the collective work copyright, a second collective work is a revision of the first collective work when the second work is of the same type as the first and when the second work is an amended version of the first comprised of contributions of the same kind as were included in the first that are assembled into a collective whole according to the same informing "selection, coordination, or arrangement" principles that characterized the first work.

In light of that understanding, and of § 201(c)'s recognition of the author's copyright in her contributed work, the privilege does *not* extend to a periodical publisher's reproduction and distribution of an author's copyrighted

contributed article as a *freestanding work.* Nor does the privilege extend to a periodical publisher's reproduction and distribution of a contributed article in a compilation of articles that is entirely different as a collective work from the periodical issue in which the article originally appeared.

3. The pertinent Petitioner electronic reproductions and distributions at issue here are typified by those effected by LEXIS/NEXIS. On proper analysis, those reproductions and distributions are of the following kinds:

(i) the NEXIS-provided computer display, printout, or download of a copy of a particular author-copyrighted article to a NEXIS subscriber;

(ii) the NEXIS computer display, printout, or download to a subscriber of a compilation of articles that includes the copyrighted article together with other articles by the same author, or on the same subject, or with the same keyword, or the like; and

(iii) NEXIS' "promot[ion] to the public"—NEXIS' term for "publishing"—a new version, or "generation," of the NEXIS compilation of articles in lieu of the prior generations of the compilation.

And, on the proper understanding of the scope of the § 201(c) "any revision of that collective work" privilege, all three classes of NEXIS reproductions and distributions fall well outside that privilege. None of the Petitioners' efforts to recast NEXIS' electronic publishing activities to make those activities fit within the § 201(c) privilege are availing. And, because for all purposes relevant to the § 201(c) analysis, Petitioner UMI's electronic publishing activities are functionally equivalent to NEXIS, Petitioners' efforts to recast UMI's activities to make them fit within the privilege likewise are unavailing.

ARGUMENT

The 1976 Copyright Act's basic ownership rule is that copyright in an "original work[] of authorship" "vests initially in its author." 17 U.S.C. §§ 102, 201(a). Copyright gives the author a set of exclusive rights in the work, including the rights "to reproduce the work in copies" and "to distribute copies of . . . the . . . work . . . to the public by sale." *Id.* § 106.

Section 201(c) of the Act confirms that, in the absence of an express agreement to the contrary, an author who contributes an article to a "periodical issue"—or to any other "collective work" as defined in § 101 of the Act—retains ownership of the copyright in the contributed article.

Section 201(c) also grants the periodical publisher—as the "collective work" copyright owner of the periodical issue—the delimited privileges to reproduce and distribute the author's contribution as part of (i) "that particular" periodical issue, (ii) "any revision of that" periodical issue; and (iii) "any later [periodical issue] in the same series."

The § 201(c) privileges are incidental to, and coextensive with, the publisher's right, as a collective work copyright owner, to reproduce and distribute the periodical, and serve to facilitate the exercise of that right. While the periodical publisher can exploit the contributed article through these privileges, the publisher has no copyright at all in the contributed article as such. The author of the article remains the owner of the copyright in the article with the exclusive rights, among others, to reproduce and distribute the article as a freestanding work or through a different periodical issue or other collective work.

In this copyright infringement case, the Respondent freelance authors complain that the Petitioner Periodical Publishers, acting through their licensees, the Petitioner

Electronic Publishers, have improperly "reproduced . . . and distributed copies of the [authors'] work[s] to the public by sale."

The Petitioners respond by invoking the second of § 201(c)'s three stated privileges, and by claiming that their challenged "electronic[] publishing" activity consists of reproducing and distributing to the public "electronic copies" of their periodical issues and that this activity is within their § 201(c) privilege to publish "any revision" of these periodical issues. Petitioners' Brief ("Pet. Br.") i, 2, 41; *id.* at 39-46.

The direct, dispositive answer to the Petitioners' reliance on the second § 201(c) privilege is that the Petitioners' electronic publishing activity at issue here is leagues away from the electronic reproduction and distribution of "revisions" of the periodical issues in which the Respondent authors' copyrighted articles originally appeared. What Petitioners are doing is making electronic reproductions and distributions of the authors' articles (i) as freestanding works, and (ii) in compilations of articles that are entirely different "collective works" from the periodical issue in which the article originally appeared. Each of these electronic publishing activities is well outside the § 201(c) privilege.

It is fair enough for the Petitioners to denominate their endeavors as "electronic[] publishing," and, for the present purposes, to insist that such publishing is to be judged on a Copyright Act "media neutrality" basis.[5] The Petitioners are

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[5] We pause to elaborate on our reasons for accepting only in carefully guarded terms ("for the present purposes") Petitioners' media neutral approach.

There is the most substantial question as to whether the § 201(c) privileges permit collective work copyright owners to *publicly display* an author's copyrighted contributed work, *e.g.*, through a computer display of the article. *Cf.* 17 U.S.C. § 106. The Register of Copyrights in a

however quite wrong in suggesting that there is some dispute between the parties here regarding media neutrality. There is not.

Our legal position is concerned *exclusively* with the Petitioners' reproduction and distribution of the Respondents' copyrighted contributed articles as freestanding works and in compilations of articles that are different collective works from the periodical issue in which the Respondents' articles originally appeared. Our legal position is *not* concerned at all

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response, printed in the Congressional Record, to a request by Congressman James P. McGovern for an analysis of the Copyright Act issues implicated by this litigation, states that the answer is "no":

> Section 106 of the Copyright Act, which enumerates the exclusive rights of copyright owners, includes an exclusive right to display their work publicly. Among the other exclusive rights are the rights of reproduction and distribution. The limited privilege in § 201(c) does not authorize publishers to display authors' contributions publicly, either in their original collective works or in any subsequent permitted version. It refers only to "the privilege of reproducing and distributing the contribution." [147 Cong. Rec. E 182-E 183 (Feb. 14, 2001 daily ed.).]

And, the Register then outlines the basis for her position at length and in so doing opines that in the § 201(c) context the "focus on the media neutrality of the Act is misplaced." *See id.* at E 183.

Respondents argued this point in the District Court, but that court concluded that the "public display" of a contributed work is a type of reproduction and distribution of the work, and that the § 201(c) "reproduction and distribution" privileges authorize such displays. Pet App. 53a-54a. And, the Respondent did not press the point in the Second Circuit. Nor did the Court of Appeals advert to the point in its decision.

Against that background we take it as a given in this Court that there is a § 201(c) display privilege subsumed within the § 201(c) reproduction and distribution privileges, and that, in these circumstances, it is proper to treat with § 201(c) as a "media neutral" provision. We argue the § 201(c) issue decided below and presented here on that basis.

with the circumstance that the Petitioners are making reproductions and distributions through electronic publishing rather than print publishing.

This copyright case is no different from a case precipitated by a *print republishing* endeavor in which periodical publishers license print republishers and provide the republishers with reformatted press plates of periodical issue articles on an article-by-article, issue-by-issue basis; the republishers code and store the plates; and, on subscriber orders, the republishers print in pamphlet form and deliver any individual article, or a variety of compilations of articles—*e.g.* "author" compilations or "subject" compilations—drawn from multiple periodicals.

In such a case, the authors of the contributed copyrighted articles would have the same infringement claim as the authors have here, and the periodical publishers and print republishers, for better or worse, would have the same § 201(c) privilege response as the Petitioners have here, and only that response. In both instances, as we will show, that response fails.

With these somewhat lengthy preliminaries, we turn first to the proper interpretation of § 201(c), reading its words according to their ordinary and accepted meaning in the context of the Copyright Act as a whole, and taking into account the evolution of the statutory text and the legislative explanations of the provision's purposes and effect. *Infra* at pp. 22-32. With the governing legal principles firmly in mind, we then address and rebut the Petitioners' claim that the reproductions and distributions here are of revisions of the periodical issues in which the Respondent authors' copyrighted articles originally appeared. *Infra* at pp. 32-50.

A. Section 201(c)'s Statutory Language

Section 201(c) provides:

> (c) Contributions to Collective Works.—Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

1. Section 201(c)'s first sentence confirms the Copyright Act's basic ownership rule—"[c]opyright in a work . . . vests initially in the author," § 201(a)—for one particular class of works: "separate contribution[s] to a collective work." Where a work is written for contribution to a "periodical issue, anthology or encyclopedia," or other "collective work," and is not a "work made for hire," the copyright in the contributed work vests in the author of that work. And, as stated in § 106 of the Act, it is the author, by reason of her copyright in the contribution, who has "the exclusive rights," *inter alia*, "to reproduce the copyrighted work in copies," "to distribute copies ... of the copyrighted work to the public by sale . . . ," and "to authorize" others to make such reproductions and distributions.

2. Section 201(c)'s second sentence addresses the legal consequences that attach when an article is contributed to a collective work such as a periodical issue. Understanding its logic requires an understanding of the Copyright Act defined terms on which it rests.

A person who "assemble[s]" separate and independent contributions into a "collective whole," *e.g.*, a periodical issue, creates a "compilation," which itself is an "original work of authorship." 17 U.S.C. § 101. And, the term "'compilation' includes 'collective works,'" *viz.* "a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." *Id.*

The person who assembles the periodical issue—the periodical publisher—is entitled to "[c]opyright protection" for that work. 17 U.S.C. § 103(b). That copyright protection extends "only to the material contributed by [the person who assembles the periodical issue], as distinguished from the preexisting material [the individual articles] employed in the [periodical issue]." *Id.*

In other words, the publisher's copyright protection runs to the publisher's "collection and assembling of [contributed articles] . . . selected, coordinated or arranged in such a way that the resulting [periodical issue] as a whole constitutes an original work," 17 U.S.C., § 103, but *not* to the author's copyrighted contributed articles included in the periodical. The author's copyright in her article, recognized in § 201(a) and again in the first sentence of § 201(c), is thus distinct from the publisher's copyright in the periodical issue as a collective work.

At the same time, the accepted and expected means for the publisher to exploit the collective work copyright in the periodical issue is for the publisher to reproduce and distribute the periodical to the public—in real world terms, to reproduce and distribute not the publisher's "selection, arrangement or coordination" of articles in the abstract, but those elements of assembly articulated through the collection of individual contributions assembled into a collective whole.

Without some meliorating privileges, the foregoing copyright rules could produce an impasse in cases where the author owns the copyright in the contributed article and has not expressly granted reproduction and distribution rights to the periodical publisher. *Cf. Stewart v. Abend*, 495 U.S. 207 (1990) (copyright owner of derivative work is precluded from exploiting the copyright in the derivative work after the initial grant of rights from the owner of the copyright in the pre-existing material from which the derivative work was drawn lapsed and the successor-in-interest to the preexisting-materials copyright owner refused to make a new transfer).

The first question that arises from the coexistence of—and tension between—contributed work copyrights and collective work copyright is whether, in the absence of an express transfer from each contributing author, the publisher of a periodical issue will be privileged to make any publication of a periodical issue that includes the contributed articles.

And, it is § 201(c)'s second sentence—providing that "the owner of copyright in the collective work is presumed to have acquired ... the privilege of reproducing and distributing the contribution as part of that particular collective work"—that resolves this question. It does so by permitting the publisher to reproduce and distribute the periodical issue without any express copyright grant from the authors of the contributed articles. This privilege thus facilitates the publication of periodicals and other collective works in a manner that does not disturb the author's copyright in her contributed article.

A second question is whether the periodical publisher, as a collective work copyright owner, can exploit the contributed article in collective works other than the original periodical issue. Section 201(c)'s second sentence resolves this question in measured terms by providing the publisher "the privilege of reproducing and distributing the contribution as part of . . . any revision of that collective work," *viz.*, any

revision of the particular periodical issue in which the contributed article originally appeared, and the "privilege of reproducing and distributing the contribution as part of . . . any later collective work in the same series."

a. The first of these two privileges—to reproduce and distribute an author's copyrighted article in "any revision of that collective work"—has been the center of this case.

The Copyright Act does not define "revision." Nor is that term a copyright term of art. And, none of the secondary legislative materials provide a precise meaning of "revision" as used in § 201(c).

The definitions of "revision" as the term is used in its ordinary sense are, moreover, less than exact. A revision is "something made by revising" and to revise is "to look at or go over again for the purpose of correcting or improving" or "to make a new, amended, improved or up to date version of." *Webster's Third New Int'l Dict.*, 1944 (1968). Thus a revision is the product of a certain kind of endeavor—returning to an original for the purpose of correcting, improving, etc. the original—that produces a certain result—an amended version of the original, and not something that is no longer a recognizable version of the original. On any understanding of the term, differences can exist between any two works so that the second is not judged to be a revision of the first, but a separate work in itself. And, on any understanding, that judgment turns on determining the first work's defining characteristics.

But, the context provided by § 201(c) does give a significant measure of additional content to "revision" in its ordinary sense. The § 201(c) privilege allows a collective work copyright owner to include a contributed work *only* in "any revision of *that collective work*"—*viz.*, only in a revision of the original collective work that included the contributed

work. There is no § 201(c) privilege to include the contribution in "any revision of any work."

The Copyright Act, moreover, *does* define "collective work"—"a work such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." 17 U.S.C. § 101. Further, the Act *does* provide that the copyright owned by the assembler of a collective work is in the "material contributed by the author [*i.e.*, the assembler] of such work," *viz.*, in the assembler's "select[ion], coordinat[ion], and arrange[ment]" of the "preexisting materials" employed in the work, "as distinguished from the preexisting material" itself. *Id.* §§ 101, 103(b).

What follows from the standard meaning of "revision," the Act's definition of "collective work," and its characterization of the collective work copyright is this: a second collective work is a revision of the first collective work when the second work is of the same type as the first—a daily newspaper issue, a general encyclopedia, etc.—and when the second work is an amended version of the first, comprised of contributions of the same kind as were included in the first that are assembled into a collective whole according to the same informing "selection, coordination, or arrangement" principles that characterized the first work.

This explication of the phrase "any revision of that collective work" does not, to be sure, provide a litmus test for resolving borderline cases. But it does have sufficient explanatory power to resolve two highly pertinent non-borderline cases:

- The privilege does *not* extend to a periodical publisher's reproduction and distribution of an author's copyrighted contributed article as a *freestanding work*. The article as such is not a collective work at all much less a revision of the

original periodical issue. And, the author of the contributed article—not the publisher—is the copyright owner of the article. Indeed, § 201(c)'s most basic point is to confirm that the author of the contributed article is its copyright owner—and that the publisher has no copyright in the article as such.

- The privilege does *not* extend to a periodical publisher's reproduction and distribution of a contributed article in a compilation of articles that is entirely different as a collective work from the periodical issue in which the article originally appeared: *viz.*, in a compilation that collects and assembles a far different set of contributed works according to far different "selection, coordination and arrangement" criteria. Such a compilation is *not* on any view a "new, amended, improved, or up to date version" of the particular periodical issue in which the contribution originally appeared.

These cases are pertinent because the Petitioners have effected just these kinds of reproductions and distributions of the Respondent authors' copyrighted articles. *Infra* at 32-50.

b. The last § 201(c) privilege, which Petitioners have not invoked here, permits the republication of a contributed work in the course of publishing "any later collective work in the same series." This provision says—and throughout this litigation has been taken by the parties to say—no more and no less than that the publisher of a periodical (or other publication that appears in intervals over time) who has included an article in an earlier issue in a continuing series of similar periodical issues can include the article in a later issue in the series. There one day may be a dispute over whether two periodical issues are "in the same series," but no such dispute is involved in this case.

This privilege does, however, throw a cross light on the two preceding § 201(c) privileges. Like the modifier "only" that applies to all the stated privileges, the inclusion of the last privilege makes it manifest that § 201(c) provides

periodical publishers three expressly stated privileges *and no others*. And, the terms of the final two privileges taken together reinforce the conclusion that § 201(c) only permits a publisher to include a contribution to a particular periodical issue in a second periodical issue that is closely related to the original periodical—*viz.*, in an amended version of the original or in a later issue that is in a succession of similar periodical issues.

B. The § 201(c) Legislative Materials

The background § 201(c) legislative materials confirm that the foregoing reading of the provision's language in its Copyright Act context is the correct reading.

1. The 1976 Copyright Act was the culmination of a Congressional undertaking that began in 1955 with a charge to the United States Copyright Office to prepare the way for a revision bill. *See* House Report 94-1476, 94th Cong. 2nd. Sess., pp. 47-48 (1976) ("House Report" 94-1476).

In carrying out that charge, the Copyright Office—after a period of study and debate that included the copyright law constituencies—developed a 1961 set of recommendations for a copyright law revision bill and drafted a 1963 revision bill, a 1964 bill, and a 1965 bill. Both the 1964 bill and the 1965 bill were introduced in Congress. And the 1965 bill, which was accompanied by an extensive explanatory report by the Register of Copyrights, became the base for the legislative effort that led to the 1976 Act. *See* House Report 94-1476, pp. 47-48 (outlining these developments).

All four of the Copyright Office proposals addressed the contributed works/collective works issue as a discrete issue. In so doing each proposal treated somewhat differently with a periodical publisher's reproduction and distribution of a contribution to a particular periodical issue in a second collective work.

• The 1961 recommendation accorded the publisher the "right to publish it [the contributed work] in a *similar composite work.*" Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 87th Cong. 1st Sess. (H. Judiciary Comm. Print 1961).

• The 1963 bill provided the publisher "only the privilege of publishing the contribution in *that particular collective work.*" S. 3008, 88th Cong. 2nd Sess., § 14(c) (1964); H.R. 11947, 88th Cong. 2nd Sess., § 14(c) (1964).

• The 1964 bill provided the publisher "only the privilege of reproducing and distributing the contribution as part of that [the original] collective work and *any revisions of it.*" Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft, 88th Cong., 2nd Sess., p. 15 (H. Judiciary Comm. Print (1964).

• And, the 1965 bill, like the present law, accorded the publisher "only the privilege of reproducing and distributing the contribution as part of that particular collective work, *any revision of that collective work and any later collective work in the same series.*" S. 1006, 89th Cong. 1st Sess., § 201(c) (1965), H. R. 4347, 89th Cong. 1st Sess. § 201(c) (1965).

It is telling that none of these proposals can fairly be read to accord a periodical publisher any privilege to reproduce and distribute a contributed article as a freestanding work and that not even the broadest of the four—the 1961 recommendation proposal—can be read to provide any privilege to include the contributed article in a compilation of articles that is entirely different as a collective work from the periodical issue in which the article originally appeared.

It is telling, too, that the Copyright Office did not in the end recommend to Congress the 1961 formulation most favorable to the publishers, or the 1963 formulation most

favorable to the authors, or the somewhat ambiguous 1964 formulation, but rather the more nuanced 1965 formulation.

It is evident then that the Copyright Office, after considering its earlier proposals and the competing arguments, concluded that the 1965 bill struck the best balance between facilitating the publication of collective works and providing authors the opportunity to exploit their copyright in their contributed works. And, Congress, in acting on the Copyright Office's proposal, and after considering the arguments of the publishers and the authors, came to the same conclusion. It follows that the § 201(c) privileges are to be read as three carefully considered, discrete and delimited privileges and not as some broad or general privilege—*viz.*, read as the statutory text is written and according to its terms.

2. House Report 94-1476—the Committee Report that was last in time and that accompanied the bill that formed the backbone of the Conference Report and the final legislation—illuminates the § 201(c)(1) text in a number of ways. In so doing, it draws heavily on the Register of Copyright's earlier reports and their explication of the provision.

• The House Report begins by stating that § 201(c)(1)'s first sentence establishes the new contributed works/collective work regime's "*basic principle*"—"that copyright in the individual contribution and copyright in the collective work as a whole are separate and distinct, and that the author of the contribution is, as in every other case, the first owner of copyright in it." House Report 94-1467, p. 122.

That principle is "basic" in two respects. In large part, the prior law had been unsatisfactory in failing to draw a clear line between a contributing author's copyright and the collective work owner's copyright. Section 201(c) draws such a line. And, in so doing § 201(c) makes it plain that the

author has the copyright in the "individual contribution," that the collective work copyright owner has the copyright in that work—and that the latter has no copyright in the contribution as such. By allocating these copyrights in this way § 201(c) provides the author the exclusive right to reproduce and distribute the contributed work as a separate work or in a collective work different from the collective work in which the contribution originally appeared.

• The Report makes it plain that § 201(c)(1) "does nothing to change the rights of the owner of copyright in a collective work under the present law" but *is* intended "to clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions." House Report 94-1476, p.122. As to "rights in contributions," then, the Act, and not the pre-Act understandings, controls.

• The Report emphasizes that Congress' primary interest in changing the prior law was to "preserv[e] the author's copyright in a contribution even if the contribution does not bear a separate notice in the author's name, and without requiring any unqualified transfer of rights to the owner of the collective work." House Report 94-1476, p.122. This echoes the opening of the Report explaining that § 201(c)'s "basic principle" is to provide the author of a contributed work the copyright in that work and the attended rights to reproduce and distribute that work as a separate work or in a collective work different from the collective work in which the contribution originally appeared.

• The Report concludes by amplifying on the § 201(c) collective works copyright owner's privileges stated therein. The Report separates out the first—the privilege to reproduce and distribute the contribution as part of that collective work—as the "basic" § 201(c) privilege and as one that is "fully consistent with present law and practice, and represents a fair balancing of equities." House Report 94-1476, p.122.

In its final passage—and the one most directly pertinent here—the Report focuses on the two remaining § 201(c) privileges. The Report emphasizes that these privileges provide for "*republishing the contribution under certain limited circumstances.*" To illustrate what those circumstances are, the Report states two proper exercises of these privileges: "a publishing company could reprint a contribution from one issue in a later issue of its magazine, and could reprint an article from a 1980 edition of an encyclopedia in a 1990 revision of it." In contrast, "the publisher could *not* revise the contribution itself *or include it in a new anthology or an entirely different magazine or other collective work.*" House Report, 94-1476, pp. 122-23 (emphasis added).

The Report thus provides the strongest confirmation of the conclusion that § 201(c)'s statutory language does not accord a periodical publisher any privilege to republish a contribution to a periodical issue in a compilation of articles that is entirely different as a collective work from the original periodical—*viz.* in a compilation that constitutes a "new anthology or an entirely different magazine or other collective work."

C. The Petitioners' Electronic Publishing Activities Exceed the Scope of the § 201(c) Privilege

On analysis, the Petitioners' position in this case comes down to this: (i) the set of articles that a Periodical Publisher pulls from a given issue of its periodical and converts into electronic form for transmission to the Electronic Publishers constitutes a § 201(c) "revision" of that periodical issue, Pet. Br. 40; and (ii) the Electronic Publishers' "reproduct[ions]" and "distribut[ions] ... to the public by sale" at issue in this case are of these sets of electronic periodical issue articles. Pet. Br. at 47 (contending that this case turns on "the content of those allegedly directly infringing copies, *as they were created and fixed on an issue-by-issue basis*") (emphasis added).

The Petitioners' first point is nothing but a distraction. Section 201(c) is not solely, or even primarily, concerned with the transmission of text materials by one publisher to a second publisher antecedent to the latter's reproduction and distribution to the public of those text materials. The provision is instead very much concerned with what the second publisher then reproduces and distributes to the public—in this case, what the Electronic Publishers, as the Periodical Publishers' licensees, reproduce and distribute to the public. Thus, the critical question here is whether, as the Petitioners imply, the Electronic Publishers confine themselves to reproducing and distributing to the public author-copyrighted articles from a particular periodical issue as part of the *set* of articles from that issue that Petitioners identify as the "revision" of the issue.

The answer to that question is that the Electronic Publishers' reproductions and distributions are *not* so confined. The transmissions of sets of articles from a particular periodical issue on which Petitioners focus—the transmissions from the Periodical Publishers to the Electronic Publishers—are but a transitory, intermediate production step in the process of reproducing the Respondent authors' copyrighted articles on an individual article basis and of distributing copies of those articles to the public on an individual article basis. The pertinent LEXIS/NEXIS "distribut[ions] of copies . . . *to the public* by sale" are:

(i) the NEXIS-provided computer display, printout, or download of a copy of a particular author-copyrighted article to a NEXIS subscriber;

(ii) the NEXIS computer display, printout, or download to a subscriber of a compilation of articles that includes the copyrighted article together with other articles by the same author, or on the same subject, or with the same keyword, or the like; and

(iii) NEXIS' "promot[ion] to the public"—NEXIS' term for "publishing"—a new version, or "generation," of the NEXIS compilation of articles in lieu of the prior generations of the compilation. *See supra* at 3-4 (explaining in detail what LEXIS/NEXIS does when it "promotes" an updated generation of NEXIS to the public).

As we proceed to show, not only are these "reproduc[tions] and distribut[ions]" of something other than the sets of electronic periodical issue articles formed by the Periodical Publishers on an issue-by-issue basis, all three are reproductions and distributions that fall well outside the § 201(c) privilege.

1. Very simply stated, in every respect and for all of its purposes, the NEXIS system is a system of individual article/files. From the point at which licensed text materials are received by NEXIS from its various periodical-publisher licensors to the point at which NEXIS provides computer displays, printouts, and downloads of licensed materials to its subscribers, the unit of text material that is being stored, coded, identified, displayed, printed out, downloaded, and otherwise processed, reproduced or distributed is the unit consisting of the individual article/file.

When, for example, a newspaper publisher transmits text materials from a day's newspaper to NEXIS, the Electronic Publisher assigns each *article* in the newspaper—not each *section* of the paper and not the *entire edition* of the paper—to a separate article/file and gives that file its own identifier. And, when text materials are further electronically coded so that they can be linked to other materials in the database, it is each individual article/file—and not any other unit of text material—that is coded.

The very point of proceeding in this way is to enable NEXIS (i) to cull any individual article/file from the mass of articles/files in the data bank and to provide a computer

display, printout, or download of that individual article as an individual article and without providing the collective work in which the article first appeared; and (ii) to make compilations of articles selected, coordinated and arranged according to an author criterion, a subject criterion, or others coded into the searching/linking software.

That being so, it is plain that when NEXIS—in response to a subscriber request for a particular author-copyrighted article —provides a computer display, printout, or download of that article to the subscriber as a freestanding article, the NEXIS reproduction and distribution of that article is not within any § 201(c) privilege.

2. The Petitioners offer three alternative views of the NEXIS reproduction and distribution of author-copyrighted contributed articles as freestanding works. Each one distorts the realities more than the last.

a. The Petitioners first argue that each author-contributed article NEXIS provides through a computer display, printout, or download is taken from a potential "revision" of the original periodical issue—consisting of the set of article/files drawn from that issue and coded by date and publication—stored in the database. Pet. Br. 42-43. NEXIS' reproduction and distribution of an individual article drawn from that periodical issue, say the Petitioners, should on that account be treated as a reproduction and distribution not of an individual article but of the revised original periodical issue as a whole. *Id.*

The Petitioners' suggestion is artificial in the extreme. Each individual article in the NEXIS system is in a self-contained file with its own separate identifier, and that file is the only file activated by a subscriber request for the article that the file contains.

Furthermore, the article/files in a computer data system are constantly shifting place as the system is used and do not

remain in any fixed serial order—as Petitioners themselves acknowledge. *See* Pet. Br. 43-44; *see also supra* at 8 note 2.

Equally to the point, no NEXIS article/file is included in only one "potential" compilation of articles. Given the nature of the finding/labeling codes embedded in each article/file, each article is simultaneously linked to a potential "author" compilation, a potential "subject" compilation, a potential "keyword" compilation and so forth. *Supra* at 4. And, the Petitioners offer no justification—because there is none—for treating the potential date-and-publication compilation as the compilation of reference.

Beyond that, when NEXIS reproduces and distributes a particular author-copyrighted article, the existence in the NEXIS database of a number of *other* article/files that, if assembled, might constitute a revision of the periodical issue in which the article originally appeared, does nothing to change the fact that the contributed article is being "reproduc[ed] . . . and distribut[ed] [as] an individual contribution apart from the remainder of the publication." And that being so, a NEXIS-provided display, printout, or download of the article as an individual article constitutes an infringement even on the Petitioners' own reading of § 201(c). *See* Pet. Br. 39 ("Section 201(c) prevents a publisher from reproducing, revising, or distributing an individual contribution apart from the remainder of the publication.")

Petitioners are thus left to argue that because "Respondents' contributions are tagged with information —such as the author's identity, the name of the periodical, and the page number and column in which it appears," each contribution—even when separately displayed, printed out, or downloaded—is still part of the original periodical issue. Pet. Br. 42-43. This is sheer casuistry. The "tag[ging]" is necessary only because the article is *no longer part of the*

original periodical issue. Tagging something does not make it part of another thing. And, it would make nonsense of § 201(c) and of the author's ownership of the copyright in her contributed article, to conclude that a periodical publisher could publish a contribution as a freestanding work so long as the publisher added a note or legend to the reprint identifying the publication in which and the page number where the contribution first appeared. Section 201(c) is not a trademark provision concerned with fair and proper identification of source; it is a copyright provision concerned with the copyright owner's right to reproduce and distribute her work.

Given the foregoing—and given the novelties of electronic publishing—we believe it is helpful to consider a print analog. Suppose, for example, that the New Yorker magazine put out a fiction issue containing four separate novellas by freelance authors and thereafter put out a separately bound reprint of each work and offered each reprint volume to the public for sale as a freestanding work. It is too clear for doubt that these reprints are not within any § 201(c) privilege and constitute an infringement of each of the four authors' individual copyrights in their respective contributed works. And, all of this would be so even if the New Yorker continued also to reproduce and distribute the fiction issue in which the four novellas appeared together.

b. Petitioners argue too that if there is any infringing reproduction and distribution of the Respondent authors' contributed articles here, it is the individual NEXIS *subscriber* that is the sole infringer. Pet. Br. 45. Petitioners thereby attempt to fit this case within *Sony Corporation of America v. Universal Studios, Inc.*, 464 U.S. 417 (1984). *Sony* holds that a manufacturer of a machine that can be used to copy copyrighted material—there, a videotape recorder (VTR)—is not liable for contributory infringement, where the machine has substantial non-infringing uses and where the defendant itself has neither engaged in the copying of

copyrighted materials nor authorized such copying. *Id.* at 456.

NEXIS, Petitioners would have it, is like the machine in *Sony*, since one use to which NEXIS can be put is to provide the computer display, printout, and download of all NEXIS-available articles from a particular periodical issue—of a compilation that Petitioners style a "revision" of that periodical issue. But NEXIS does not distribute machines that can make copies of text materials in the database. *NEXIS itself reproduces and distributes those text materials.* Indeed NEXIS has negotiated and paid for licenses from periodical publishers to do just that. And, the *Sony* Court made it clear that its ruling there provides no defense to a party that does in fact make infringing reproductions and distributions of an author's copyrighted work. *Id.* at 436.

The *Sony* Court did so by reaffirming *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911), where the defendant motion picture producer was itself a distributor of the infringing work and had been held liable for infringement on that basis. *Kalem* was distinguishable from *Sony*, because "the producer in *Kalem* did not merely provide the 'means' to accomplish an infringing activity; the producer supplied the work itself, albeit in a new medium of expression. Sony in the instant case does not supply Betamax consumers with [the copyright owner] respondents' works; respondents do." 464 U.S. at 436.

Here NEXIS is most certainly "supply[ing] the [authors' copyrighted] work[s] [them]selves" in providing computer displays, printouts, and downloads of the authors' copyrighted articles in full text.

The *Sony* Court's reasoning, moreover, makes it clear that the *Periodical Publishers'* actions here constitute infringement as well. For *Sony* confirms the proposition—made plain in the text of the Copyright Act itself, *see* 17 U.S.C. § 106—

that an author's exclusive rights include not only the "exclusive right[]" to reproduce and distribute copies of a copyrighted work, but the exclusive right "*to authorize* [others]" to do the same, whether through licensing or otherwise. Thus, the *Sony* Court, citing § 106, confirmed that "an infringer is not merely one who uses a work without authorization by the copyright owner, but also one who *authorizes* the use of a copyrighted work without actual authority from the copyright owner." 464 U.S. at 435 n.17.

In this case, each of the Periodical Publishers licensed LEXIS/NEXIS to reproduce and distribute to the latter's subscribers "all *and any portions*" of the "Licensed Materials." *Supra* at 7-10. Thus, the licenses on their face authorize NEXIS, *inter alia*, to provide computer displays, printouts, and downloads to its subscribers of *discrete, individual articles* from the newspapers and periodicals at issue. An individual article certainly constitutes "any portion" of the Licensed Materials. Petitioners would be hard-pressed to contend otherwise, having championed in another context the proposition that "'any' is a term of considerable breadth," Pet. Br. 15, which "does not permit . . . artificially imposed" limits, *id.* at 21.

Thus, under *Sony*, and under the plain language of § 106 of the Copyright Act, those acts of authorization—wholly apart from the Petitioners' other acts—are separate and distinct acts of infringement. *Sony*, 464 U.S., at 435 n.17.

c. Lastly, the Petitioners would have it that NEXIS is an electronic "library" that contains, on its computer disk "stacks" or "shelves" a complete set of the daily editions of the New York Times from the early 1980's to the present, a complete set of the daily editions of Newsday for that period, etc. Pet. Br. 2, 19, 43. And, say Petitioners, a print library can, without any copyright infringement concerns, offer a reader the opportunity to pull down an edition of a newspaper

and thumb directly to a page that the reader knows contains a particular article of interest to her without requiring the reader to go through the paper as a collective whole. Pet. Br. 2. It follows, we are told, that NEXIS can provide the computer display, printout, or download of the same individual article to the same person as a subscriber. Pet. Br. 2, 43. This analogy fails.

The essence of the matter is that a print library cannot, consistent with the Copyright Act, provide readers with a *new copy* of the text material that the reader requests. What a print library can do is allow the interested reader to borrow and return a purchased copy of a copyrighted work bought from the copyright owner. NEXIS in contrast is reproducing and distributing new copies of the author's copyrighted article in providing its subscriber a computer display, printout or download of the work. If ten NEXIS subscribers request the same article, then NEXIS reproduces and distributes ten electronic copies to those subscribers, all of which come from the single article/file stored in its database.

A print library—and in particular any print library reproducing and distributing text materials "for direct or indirect commercial advantage"—can *not* make multiple copies of a copyrighted work in response to reader requests without violating § 108 of the Copyright Act. *See generally* 17 U.S.C. § 108. And the Act's limitations on copying by libraries are particularly restrictive if the library is "engage[d] in the systematic reproduction or distribution of single or multiple copies" of copyrighted works. *Id.*

Petitioners themselves quote with approval from testimony before Congress comparing an electronic database to "a duplicating rather than a circulating library." Pet. Br. at 36 n.24. This accurate characterization, of course, undermines the Petitioners' effort to equate NEXIS with a circulating print library.

Indeed, far from resembling a circulating library, NEXIS more closely resembles the defendant photocopying service found guilty of infringement in *Ryan v. Carl Corp.*, 23 F. Supp. 2d 1146 (N.D. Cal. 1998).

In *Ryan*, the defendant company maintained a list of the titles of millions of individual articles from over 10,000 periodical publishers. The defendant had licensing arrangements with many of the periodical publishers but with none of the authors. The defendant's customers ordered articles from the list; the defendant sent one of its employees to a print, not an electronic, library; and the employee retrieved the periodical issue containing the article from the library's shelves, photocopied the article, and sent the photocopy to the customer. On those facts, the district court held that—even as regards those acts of copying from periodicals published by companies with whom defendant *had* a licensing arrangement—the defendants had engaged in infringement of the rights of the authors. *Id.* at 1150.

Petitioners concede that *Ryan* was correctly decided, as they must, having embraced the proposition that § 201(c) "prevents a publisher from reproducing, revising, or distributing an individual contribution *apart from the remainder of the publication*." Pet. Br. 39 (emphasis added). And Petitioners, thus forced to distinguish the case, can only mutter that in this case "the publishers license the *entirety* of their collective works to NEXIS and UMI," whereas in *Ryan* the licensing arrangements presumably differed. Pet. Br. 33 n. 22.

Putting aside the fact that Petitioners mischaracterize the licenses here, the decision in *Ryan* did not turn on the scope of the copying-service/periodical-publisher licenses in question there, but on the proposition that, whatever rights the periodical publishers had as owners of the collective works copyrights, those rights did not include "the right to

reproduce individual contributions"; instead, "the right of reproduction [of such contributions] must belong to the authors." 23 F. Supp. 2d at 1150.

That principle, which Petitioners profess to embrace, condemns NEXIS' practice of providing computer displays, printouts, and downloads of copies of the Respondents authors' articles as freestanding works.

3. NEXIS, as we have stated, does more than provide computer displays, printouts, and downloads to subscribers of individual articles as freestanding works. The NEXIS system author, subject, keyword and other electronic codes embedded in each article/file enable NEXIS to reproduce and distribute compilations of articles linked by these codes and drawn from multiple periodical issues. The NEXIS system can, for example, provide in response to an author, or "byline," search, a compilation of 98 Stephen Jay Gould articles from twenty-seven different periodicals, or a compilation of the numerous articles on missile defense drawn from myriad periodicals. *Supra* at 5-6.

We have already shown that the § 201(c) "any revision of that collective work" privilege does not permit a periodical publisher to reproduce and distribute a contributed article in a compilation of articles that is an entirely different collective work from the periodical issue in which the article first appeared. *Supra* at 25-27. As we explained, such a compilation is not a revised version of the original periodical issue that included the contribution, but is instead a new and different collective work altogether. *Supra* at 27.

The Petitioners do not offer any argument that these NEXIS "author" and "subject matter" compilations that include a copyrighted article from a particular periodical issue are "a revision of the original periodical issue." Instead the Petitioners claim that NEXIS simply stores many potential revised periodical issues and that when NEXIS in response to

a subscriber request provides an author compilation, that is akin to a library allowing a reader to take the print periodicals off the shelves, turn each to the author's article, and collect the copies in order on a reading room table. Pet. Br. 2, 43.

In analytic terms, this is the same response that the Petitioners offer with regard to the NEXIS reproduction and distribution of individual author-copyrighted articles as freestanding works. And the response is no stronger now than it was the first time.

The Petitioners' response does not, because it can not, explain why an Electronic Publishers' theoretical capacity to provide one compilation of articles excuses the *actual* provision of a different compilation of articles.

And, to the extent that the Petitioners' point is that under *Sony*, only the subscriber, and not LEXIS/NEXIS, is liable for infringement when NEXIS provides the subscriber with a requested computer display, printout, or download of a compilation of articles drawn from multiple collective works, that suggestion is erroneous for the reasons we set out *supra* at 38-39.

Finally, in comparing the NEXIS database to a library shelf, Petitioners again fail to take account of the fact that NEXIS does *not* merely store purchased copies of copyrighted materials; NEXIS reproduces and distributes new copies of the copyrighted materials. *Supra* at 40.

4. As noted, LEXIS/NEXIS also reproduces and distributes author-copyrighted articles every time NEXIS makes an electronic copy of such an article in "promot[ing] to the public"—publishing—a new version, or "generation," of the database in lieu of a previous version of the database. The question implicated by this practice is whether the NEXIS database itself constitutes a "revision" of the

periodical issue in which the copyrighted article first was published.

Here, again, the dispositive point is that the NEXIS database is a compilation of works drawn from multiple collective works and is not a revision of any of the particular collective works that contain the copyrighted freelance articles. Indeed, because as we have emphasized, the individual article/file is the basic component of the NEXIS database, the database is properly characterized as a compilation of the millions of articles that are contained within it. The Register of Copyrights has captured the essence of the matter:

> [B]oth common sense and the dictionary tell us that a database such as NEXIS, which contains every article published in a multitude of periodicals over a long period of time, is not a revision of today's edition of *The New York Times* or last week's *Sports Illustrated.* A "revision" is a "revised version" and to "revise" is "to make a new, amended, improved, or up-to-date version of" a work. ... What makes today's edition of a newspaper or magazine or any other collective work a "work" under the copyright law—its selection, coordination and arrangement—is destroyed when its contents are disassembled and then merged into a database so gigantic that the original collective work is unrecognizable. As the court of appeals concluded, the resulting database is, at best, a "new anthology," and it was Congress's intent to exclude new anthologies from the scope of the § 201(c) privilege. [147 Cong. Rec. at E 183.].

We would add only that what the Periodical Publishers and LEXIS/NEXIS have done here is to disassemble the contents of each periodical issue into *individual article units—viz.*, into the very unit of text in which the author has copyright.

This point makes it all the more clear that NEXIS is precisely the sort of non-privileged "new anthology" of millions of individual articles that the Register has described.

Against this, Petitioners insist that "by no stretch of the imagination, let alone the plain language of the Act and its legislative history, can NEXIS . . . be deemed a new anthology or different collective work," because NEXIS is "simply [a] storage medi[um] on which copies of works reside in electronic versions." Pet. Br. 33-34. In other words, Petitioners suggest that NEXIS is not a "work" at all; they offer no argument for the view that if NEXIS *is* a work, it is a permissible "revision" of any or all of the individual periodical issues that it contains.

But NEXIS *is* a work. Indeed, in Copyright Act terms, NEXIS is both a "literary work" and a "collective work." Under the Act, "'[l]iterary works' are works . . . expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, *disks*, or cards, in which they are embodied." 17 U.S.C. § 101 (emphasis added). Since NEXIS, at any given time, is embodied in a disk or series of disks under some identifier such as "NEXIS Generation 101," it plainly is a "literary work." Moreover, NEXIS is a "collective work" in that it is "a work . . . in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole."

That being so, unless the NEXIS database is a "revision" of each periodical issue in which one of Respondents' individually copyrighted works first appeared, it follows that when LEXIS/NEXIS reproduces those articles in "promot[ing]" a new "generation" of the NEXIS database in lieu of a previous version, LEXIS/NEXIS is exceeding the

second § 201(c) privilege. We have already shown that the NEXIS database is *not* such a "revision."[6]

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[6] Given Petitioners' failure to defend the proposition that the database is a revision, we could perhaps end our discussion of this point. However, the District Court in this case concluded that NEXIS *is* a "revision" of each and every periodical issue from which NEXIS draws its articles. Pet. App. 76a. And, in what may be an overabundance of caution, we take the opportunity here to demonstrate the error in that court's approach.

The District Court reached its conclusion through the following syllogism: (1) Under the accepted test for copyright infringement, if author A copies from author B, author A is liable for copyright infringement if author A's work is "substantially similar" to author B's. (2) If a second work is "substantially similar" to the first within the meaning of that test, it must be the case that the second work is a recognizable version of the first work. (3) If a second work is a recognizable version of the first work, it must be a "revision" of the first work.

Applying this syllogism, the District Court stated that had LEXIS/NEXIS electronically published the articles in a particular day's edition of the New York Times (for instance, the December 13, 1991 edition in which one of Respondent Tasini's articles appeared) without securing a license from the Times, LEXIS/NEXIS would clearly be guilty of infringement of the Times' collective works copyright. LEXIS/NEXIS would be guilty even though much of NEXIS—indeed virtually all of NEXIS—is different from the December 13, 1991 Times, because a second work can be "substantially similar" to a first under the infringement test even if *any part* of the second work is substantially similar to the first work. Pet. App. 70a (citing *CCC Information Services v. MacLean Hunter Reports, Inc.*, 44 F.3d 61, 68 n.8 (2d Cir. 1994)). And, the court concluded, because there could be no doubt that *one part* of the NEXIS database—the part constituting the group of articles that originated from the December 13 New York Times—was "substantially similar" to the December 13 New York Times, NEXIS was a "revision" of that edition of the Times. Pet. App. 70a, 74a, 76a.

The fatal flaw in the District Court's reasoning lies in the second step of its syllogism, where the court assumes that if a second work is "substantially similar" to the first for the purposes of determining infringement, it must be the case that the second work is necessarily a

5. Everything that we have said concerning LEXIS/NEXIS' reproduction and distribution of Respondents' works applies with equal force to Petitioner UMI's "New York Times OnDisc" (NYTO) CD-ROM and to its "General Periodicals OnDisc" (GPO) CD-ROM.

a. As set out above, the New York Times OnDisc is a database that is structured identically to the NEXIS database. Like NEXIS, each component article in the NYTO is stored in its own self-contained file and is separately coded with author, subject, and other identifiers that serve to link the article to other article/files sharing the same codes. *See supra* at 10-11. The main difference between NYTO and NEXIS is that the former is a compilation of articles drawn from multiple New York Times newspaper editions, whereas the latter is a compilation of articles drawn from the newspaper editions and periodical issues of numerous publishers.

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recognizable version of the first work. But, because a second work is deemed "substantially similar" to a previous work under the infringement test even if only a *small part* of the second work is similar to a *small part* of the earlier one, the adoption of the infringement test as a test for whether a second collective work is a "revision" of the original collective work leads to total absurdity—to works being labeled as "revisions" that no one would ever call a "revision" in ordinary usage.

For example, in *Harper &. Row Publishers v. The Nation*, 471 U.S. 539, 548 (1985), the Court stated that the use in a nine-page magazine article of 300 words of verbatim or nearly verbatim quotations from a 200,000-word manuscript rendered the magazine article sufficiently similar to the manuscript to constitute an infringement under the accepted test. But that, of course, did *not* mean that the magazine article constituted a "revision" of the manuscript in any ordinary use of that term; it meant only that the *quotations* from the magazine article were substantially similar to the materials being quoted. The reason is straightforward: When one is considering whether a particular work—particularly a collective work—is a "revision" of another, one compares the two works *as collective wholes* and not as disaggregated parts.

That difference, however, has absolutely no legal relevance. The Copyright Act defines "collective work" as "a work such as a "periodical *issue* . . . in which a number of contributions, constituting separate and independent works in themselves are assembled into a collective whole." 17 U.S.C. § 101 (emphasis added). Thus, it is the particular issue of a periodical or the particular edition of a newspaper in which an author-copyrighted article first appears—and not the entire series of periodicals or newspapers put out by a publisher—that constitutes "that collective work" within the meaning of § 201(c). That being so, the New York Times OnDisc, like NEXIS, is a compilation of individual articles drawn from multiple collective works.

For these reasons, it is clear that when NYTO provides a computer display, a printout, or a download of an individual author-copyrighted article, NYTO is "reproducing and distributing" a contributed work as a freestanding work in precisely the same manner as NEXIS. Furthermore, when NYTO provides a display, printout, or download of an author or subject compilation of articles drawn from multiple issues of the paper, it is providing the same kind of "compilation drawn from multiple collective works" as is NEXIS. And lastly, when UMI reproduces and distributes a new copy of a set of the NYTO CD-ROMs, it reproduces and distributes a compilation of articles drawn from multiple collective works that is no different in kind from the compilation LEXIS/NEXIS reproduces and distributes when it electronically publishes a new "generation" of the NEXIS database.

It follows that Petitioners' attempt to justify the foregoing reproduction and distribution practices stands on no firmer ground than their attempt to justify the same practices when engaged in by NEXIS.

b. The General Periodicals OnDisc, like NEXIS, is a compilation drawn from multiple periodicals. And, like

NEXIS, GPO's finding system, as well as its display and printout system, make the *individual article* the basic component of the database and link individual articles to others within the disc system. *See supra* at 12. When a user requests a computer display or printout of, for example, a Mary Kay Blakely article, and that article begins on page 26 of a magazine and jumps to page 76 , the GPO system will print out those two pages and only those two pages. *See supra* at 12. Any fragment of a different article appearing on one of those pages will be printed out only as a fragment, because the GPO system understands that is the Blakely article and only the Blakely article for which a display or printout is being sought.[7]

GPO, like NEXIS and New York Times OnDisc, thus provides displays and printouts of *individual* articles apart from the remainder of the particular periodical issue in which the article appeared. In addition, through its indexing and abstracting system, GPO also provides displays and printouts of compilations of articles organized by subject, topic, and the like. And, finally, given the fact that its internal finding and indexing system is keyed to the *individual article*, the GPO database as a whole is, like NEXIS, a compilation of articles drawn from multiple collective works. All of this being so, the reproduction and distribution of articles and compilations of articles from GPO, as well as the reproduction and distribution of GPO itself, are outside the § 201(c) privilege.

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[7] Petitioners would have it that GPO is no different from a spool of microfilm that contains more than one copy of a periodical issue. Pet. Br. But UMI, in keying each *individual article* in GPO to GPO's indexing, retrieval, display, and printing system, is *disaggregating* the set of images from a given periodical issue contained on the discs so that (as the Mary Kay Blakely example in the text illustrates) the images can be retrieved only as adjuncts to individual articles.

* * * *

All else failing, Petitioners attempt to force a decision in their favor through the hyperbole that "[t]he Second Circuit's decision will have devastating real world effects if it is not reversed," in that "Petitioners and those similarly situated will have no alternative but to destroy any CD-ROM's that contain freelance articles and remove all freelance contributions from electronic libraries." Pet. Br. 49.

Petitioners appear to forget that this case is at the liability stage and not the remedy stage. And, be that as it may, the Register of Copyrights takes a far saner view of the consequences of a ruling in accord with the Copyright Act's precepts and in the Respondents' favor:

> Recognizing that freelance contributions have been infringed does not necessarily require that electronic databases be dismantled. ... The Supreme Court, in *Campbell v. Acuff-Rose Music, Inc.*, [510 U.S. 569 (1994)], and other courts have recognized in the past that sometimes a remedy other than injunctive relief is preferable in copyright cases to protect the public interest. ... Ultimately the *Tasini* case should be about how the authors should be compensated for the publishers' unauthorized use of their works, and not about whether the publishers must withdraw those works from their databases. [147 Cong. Rec. E 183].

There are, of course, multiple arts-and-letters clearinghouse models, including the Publication Rights Clearinghouse, for a joint author-publisher program for assigning proper compensation for the freelance authors whose copyrighted works are being improperly exploited.

CONCLUSION

For the foregoing reasons, the decision below should be affirmed.

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Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

vs.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

RESPONDENTS' BRIEF

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BEST AVAILABLE COPY

QUESTIONS PRESENTED

1. Whether the privilege afforded newspaper and magazine publishers in § 201(c) to enable them to construct their "collective works" thereafter affords anyone — and, if so, who — the privilege of *de*constructing those collective works and individually exploiting their freelance components?

2. Whether it affords anyone the privilege of taking a contribution that originally appeared as part of *one* publication and reproducing it and making it available either as a standalone unit or in combination with articles from other publications or periodical issues?

3. Whether an electronic database that contains millions or billions of articles from tens of thousands of different publications or from different issues of a publication constitutes a "revision" within the meaning of § 201(c) of each of the periodical issues from which an article or articles have been taken?

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TABLE OF TERMS AND ABBREVIATIONS USED IN THE BRIEF

With Reference To Parties:

Petitioners	Defendants The New York Times Co., Inc., Newsday, Inc., The Time Inc. Magazine Co. ("Time Inc."), LEXIS/ NEXIS (or "Mead") and University Microfilms International (or "the UMI Company")
Respondents	Plaintiffs Barbara Garson and Sonia Jaffe Robbins

With Reference To Briefs:

Cert.Pet.	The Petition For a Writ Of Certiorari
(__a)	References To Pages In The Appendix To The Petition For Certiorari. This Includes References To The Opinions Of The District Court and Second Circuit In This Case.
Cert.Reply	Petitioners' Reply In Further Support Of Their Petition For Certiorari
Pet.Bf.	Petitioners' Brief On The Merits
Publishers' Amicus	Brief For Advance Publications, Inc., et al, Amici Curiae, In Support Of Petitioners
Database Producers' Amicus	Brief For The Software & Information Industry Association et al., Amici Curiae, In Support Of Petitioners
NGS Amicus	Brief Of Amicus Curiae The National Geographic Society In Support Of Petitioners

AIPLA Amicus	Brief For Amicus Curiae American Intellectual Property Law Association In Support Of Neither Party
Burns Amicus	Brief Amici Curiae Of Ken Burns, Doris Kearns Goodwin et al, In Support of Petitioners

With Reference To Statutes:

"Act" or "1976 Act"	Copyright Act of 1976, codified at Title 17, U.S.C.
1909 Act	Copyright Act of 1909, ch. 320, 35 Stat. 1075 (codified at former Title 17, U.S.C.), repealed by Copyright Act of 1976, Pub.L. No. 94-553

With Reference To Legislative History:

Copyright Law Revision, Part 1 (LVI 10 et seq.)	Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 87th Cong., 1st Sess., Copyright Law Revision (H. Judiciary Comm. Print 1961)
Copyright Law Revision, Part 2 (LVI 20 et seq.)	Discussion and Comments on Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 88th Congress, 1st Sess., Copyright Law Revision, Part 2 (H. Judiciary Comm. Print 1963)
Copyright Law Revision, Part 3 (LVI 63 et seq.)	Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft, 88th Congress, 2d Sess., Copyright Law Revision, Part 3 (H. Judiciary Comm. Print 1964)

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LVI ___	References to Pages in Volume 1 Of The Lodging (Legislative History)
LVII ___	References To Pages in Volume 2 Of The Lodging (Articles and Registrations)
BA ____	References To Paras. In the Bass Affidavit Submitted In Support of Plaintiffs' Motion For Summary Judgment (J.A. 65a-115a)
Exh. __	References To Exhibits Attached To The Bass Affidavit In The Underlying Record
KL	Letter, Dated December 24, 1996, From Bruce Keller To The District Court, District Court Record, Item 56
Newsday RRA	Responses by Newsday To Requests To Admit, Attached To The Bass Affidavit As Exhibit 22

M_____	References To Pages In The Documents From Mead Attached To The Bass Affidavit As Exhibit 49
U_____	References To Pages In The Documents From UMI Attached To The Bass Affidavit As Exhibit 50
T_____	References To Pages In The Documents From Time Inc. Attached To The Bass Affidavit As Exhibit 41

To Oral Argument And The CD-ROM Demonstration Before The District Court:

OA	Transcript Of The Oral Argument Before The District Court (October 17, 1996)
D	Transcript Of The Demonstration By Defendants Of The CD-ROM Technology (December 10, 1996).

STATUTORY PROVISIONS INVOLVED

This case requires the interpretation of the Copyright Act of 1976, 17 U.S.C. §101 *et seq.*, and two provisions in particular: § 103(b), which petitioners have, in large part, attempted to read out of the statute, and § 201(c), which they have attempted to reduce to two words. Section 201(c), which governs freelance contributions in collective works, states in full as follows:

> (c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

Section 103(b) and other relevant provisions of the Act are set forth in Appendix II to this brief.

STATEMENT OF THE CASE

There comes a time in the life of an automobile when the vehicle is worth more disassembled than left put together. At that point, the car is taken apart, and its parts are sold off — the engine, the muffler, the bumpers, fenders, doors, the front and back windshields, and even the hubcaps may be sold separately by used-parts suppliers.

The same fate now awaits today's newspaper or magazine and tomorrow's literary or social science journal. Such publications have a short shelf life: They quickly become "yesterday's papers."

But after the publications no longer have any value at the newsstand, they still have plenty of value when they're disassembled and the "parts" — i.e., articles, reviews, op-ed pieces, etc. — are put up for sale.

As a consequence, even before the presses cool, many of the publications' component parts are sent off to LEXIS/NEXIS or the UMI Company, where the parts experience a second life.

Petitioners attempt to avoid the obvious implications of their acts by insisting over and over again that what the print publishers transmitted to the database producers and the latter placed on-line and on-disc were simply "electronic copies" or "revisions" of the print publishers' collective works. No amount of mantric repetition will make a heap of spare parts into a revised Cadillac, or the text of each of the articles in yesterday's *New York Times* into a revised edition of the newspaper.

The record, that is the facts, are to the contrary. The databases contain not "any revisions" of the publishers' collective works, but *discrete articles*. *See* BA at ¶¶ 11-27, J.A. 72a-84a. *Both courts below so found.* (3a, 4a, 5a, 14a, 102a).

Accordingly, the Court of Appeals' decision in this matter should be affirmed, as the Register of Copyrights herself recently urged in a letter introduced into the Congressional Record. That letter is annexed hereto as Appendix I.

The Contributions, Collective Works And Databases At Issue In This Case:

Respondents, six writers who authored a total of twenty-one freelance articles, sued two sets of petitioners: three print-publishers (*The New York Times*, *Newsday* and Time Inc. Magazine Co.) and two database producers (LEXIS-NEXIS or "Mead" and the UMI Company).

Each of these articles originally appeared in a distinct issue of a newspaper or magazine: twelve in issues of *The New York Times*, eight in issues of *Newsday*, and one in an issue of *Sports Illustrated*. BA Chart, J.A. 68a-69a. Each of these issues appeared in a variety of editions. *See post* at 24-25.

Respondents Garson's and Robbins' articles were written for *Newsday*, which, within 24 hours of publication, provided discrete electronic files — each containing one article — to

Mead for the purpose of their being incorporated into NEXIS' database. BA ¶¶ 12, 12, J.A. 73a-74a; Williams Aff. ¶¶ 26, 29, J.A. 135a-136a. None of these files contained any of the typesetting instructions or codes that had once enabled the article to be printed out and fitted into a collective work. BA ¶¶ 13, J.A. 74a-75a; Exh. 35, Skinner Depo. 38. At the same time, each file contained newly-added codes and keywords to make the article individually retrievable after being added to the database. BA ¶¶ 13, 14, J.A. 74a-78a; Williams Aff., J.A. 133a-136a; Exh. 35, Skinner Depo. 15, 18.

The NEXIS on-line database is one of three databases involved in this case. The other two are the New York Times On Disc ("NYTO") and the General Periodicals On Disc ("GPO"). None of these databases stores intact "collective works." BA ¶¶ 9-54, J.A. 72a-96a, Williams Aff. ¶¶ 18, 31-32, 42, J.A. 132a, 137a, 140a. Rather, each stores articles and stories from myriad different collective works and makes them retrievable on a variety of bases. Exh. 22, Newsday RRA 13, 14. NEXIS and NYTO reproduce only the text of an article; "there are no photographs or captions or columns of text." (16a). *See also* LVII 39-110, 111-133. GPO makes "article copies" available, meaning that an article will appear in the context of a page. LVII 134-154.[1] In other words, if an article begins on page 3 of an issue of a newspaper or magazine and continues (and ends) on page 45, the article as retrieved from the GPO database will consist of those two pages. LVII134-154; D 11. In no instance will the retrieval of a *particular* article from any of the three databases retrieve articles that appeared on other pages of the newspaper or the collec-

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[1] *See also* J.A. 331a ("GPO . . . provides exact reproductions of articles in image format from approximately 200 of the most frequently used general-interest periodicals"); 332a:

> General Periodicals Ondisc . . . allow[s] researchers to quickly identify and retrieve articles of interest. Users search the abstract-and-index database, locating and reviewing relevant citations and abstracts, then retrieve and print complete *article copies* from the image database. . . . (emphasis added).

tive work as a whole. *Id.*; Williams Aff. at ¶¶ 19-20, J.A. 132a-133a.

Petitioners are correct that among all the searches that a user could conduct, there is one search — the "date and periodical search" that would enable the user to "generate all of the articles — and only those articles — appearing in a particular periodical on a particular day." Pet.Bf. 4. This fact confirms that the databases do not contain fixed copies of the print publishers' collective works, since the search can produce nothing but a series of "individual hits," each corresponding *to a separate and discrete article.* (30a). *See also* Exh. 31, Guiant Depo. 81-82; Exh. 34, Petrosino Depo. 132, J.A. 202a; J.A. 363a-364a at ¶ 14; 367a at ¶ 8; 370a at ¶ 9; 472a at ¶ 8, 474a at ¶ 16, 475a at ¶ 23, 477a at ¶ 33. There is no mechanism permitting the entire collective work to be retrieved as a single unit, simply and without manipulation of the data in the database. *See* Petrosino Depo., J.A. 201a; Guiant Depo., J.A. 195a. Thus there is no "embodiment" of the collective work (in either an original or revised form) in the database. Before an embodiment of the entire collective work can be perceived, it first has to be created by the end user. KL 7.[2] What *do* exist in the databases in a fixed, stable and permanent form are copies of individual articles. BA ¶¶ 40-41, J.A. 89a-90a. While the vast majority of these copies, written by staff members or on a "work-for-hire" basis, do not violate the Act, those written by plaintiff freelance authors are infringing.[3]

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[2] Petitioners acknowledged in this letter that articles in a database are not "stored in discrete places on computer disks or drives in a manner that directly corresponds to the sequence in which they appear in the analog world . . ." KL 10. They claimed, however, that it was not important how data was actually organized on a hard drive, but only how it could be *re*organized in accordance with a user's wishes. KL 7. In this connection, they noted that articles in the database's text file — otherwise known as the "lib.ful file" — could be reorganized "on an issue-by-issue basis *whenever a user wishes to access the information that way.*" KL 7 (emphasis added).

[3] Microfilm is not at issue in this case because it is not infringing. And, it is not infringing because it allows the collective work to be "fixed" in the

The Claims, Positions And Determinations In The Lower Courts

Respondents claimed: (1) the print publishers directly infringed their copyrights when they reproduced, licensed and distributed respondents' articles to the database producers, and (2) the database producers directly infringed their rights when they incorporated these articles into the three databases and reproduced the articles both before and after doing so. Respondents also charged both sets of petitioners with direct infringement by violating respondents' exclusive right under §106 of the Act to authorize third parties to reproduce, display, download and distribute their contributions as separate and discrete works.

Contrary to petitioners' suggestion (Cert.Pet. 9, 24, 25), respondents never asserted that any defendant was vicariously liable for infringement by end-users who retrieved, copied or read their articles. Respondents did, however, charge the publisher petitioners with vicarious and contributory liability for the database petitioners' infringements.

Although petitioners repeatedly urged it to do so, the District Court rejected their proposed finding that the database petitioners placed "electronic copies" or "versions" of the print publishers' collective works into their on-line and CD-ROM databases. It recognized that, as a result of the publisher petitioners' day-long process of preparing articles that had appeared in their newspapers and magazines for incorporation into the databases, much of what made the periodicals "col-

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medium of expression as an integral unit that includes component contributions. Because the contributions are not fixed separately and apart from the collective work, they cannot be retrieved independently. Regardless of what researchers subsequently choose to focus on, therefore, microfilm inevitably takes them to the entire collective work. OA 66 (comments by the District Court). *See also* Smith Aff., J.A. 152a-160a; Williams Aff. ¶¶ 11(c), 18, 23, 31, J.A. 128a, 132a, 134a, 137a. Any database sharing these same characteristics would, presumably, be similarly protected by the § 201(c) privilege — provided that the privilege extends to all media. (*But see* discussion, *post*, at Points I(C) and II(C).) There are no such databases in this case.

lective works" was lost or eliminated. (4a, 14a-16a, 72a, 73a). Thus it determined *as a matter of fact*, that articles that had originally appeared together in a fixed relation as part of a particular collective work were dispersed throughout the databases. (64a; D 45) It further found that both NEXIS and the NYTO database store and display individual articles, not collective works. (102a).[4]

It also determined, however, *as a matter of law* that each of the databases constituted a "revision" of a publication within the meaning of Section 201(c). The Court so ruled, because: (1) when retrieved from a database, the article is displayed together with *a citation to* the periodical issue in which it originally appeared (71a, 96a, 100a); and (2) notwithstanding that the articles that originally appeared together in an issue are no longer physically grouped together as a unit, they are all present somewhere in the database. (70a, 96a, 98a, 99a n.7, 100a, 101a).

On appeal, rather than embrace the District Court's reasoning, petitioners sought to revise its factual findings. Discarding the District Court's ruling that the databases *constituted* "revisions" of individual periodical issues, petitioners reverted to the argument that the databases *contained* "revisions" of periodicals.[5]

Like the District Court, the Court of Appeals rejected petitioners' contentions that the databases *contained* "copies", "versions" or "revisions" of collective works, finding that what they

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[4] Petitioners claim (Cert.Reply 7) that the District Court was simply "descri[bing] . . . respondents' arguments" when it stated in its Opinion (102a) that "NEXIS and "The New York Times OnDisc' . . . are text based systems which store and display articles individually." While the Court began by laying out respondents' position on that page, it clearly went beyond that. We respectfully refer the Court to the Opinion.

[5] Echoing a statement by the American Society of Media Photographers that "a bookshelf [could not be considered] a 'revision' of a book just because it holds one," petitioners stated in their brief on appeal, "That is correct . . . and under the Act, a CD-ROM containing many books is not a revision simply because it holds many." Appellees' Bf. 60 n. 49. *See also* OA 12, where petitioners first took this position.

"contained" was individual articles. (2a, 4a, 5a, 14a). "NEXIS does almost nothing to preserve the copyrightable aspects of the Publishers' collective works, 'as distinguished from the preexisting material employed in the work.' 17 U.S.C. § 103 (b)," the Court said. (14a). It is significant in this connection "that neither the Publishers nor NEXIS evince any intent to compel, or even to permit, an end user to retrieve an individual work only in connection with other works from the edition in which it ran," the Court continued. (15a-16a). On the contrary, what they fix in the computer servers, discs and drives and make available to end users are "the preexisting materials that belong to the individual author under Sections 201(c) and 103(b)." (16a). They make these materials available, moreover, not as a unitary or "collective whole," but in contribution-size bits and pieces. (6a-7a; 4a ("After Mead . . . codes the individual files, the pieces are incorporated in the NEXIS database.")

As a result, articles that once were an integral and inseparable part of particular print collective works are "now available . . . [to] be retrieved individually or in combination with other pieces originally published in different editions of the [same] periodical or in different periodicals."[6] (6a-7a). They are not fixed or stored in any of the databases as part of a fixed copy of a collective work. (4a).

The Court of Appeals also found that the databases did not legally *constitute* any one of the three collective works provided for in § 201(c). Because petitioners claimed only the protection of the second ("revision") clause of § 201(c), the Court identified "[t]he crux of the dispute" as "whether one or more of the pertinent electronic databases may be considered

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[6] By analogizing to "library stacks" at pages 3-4 of their brief, petitioners inadvertently create the impression that the "libraries" provided for in a search and retrieval program correspond to physical locations on a database. *See also* Pet.Bf. 46 and Database Producers' Amicus 19. They do not. Libraries are simply "logical groups" of electronic files that share a common sequence in their file numbers. Exh. 34, Petrosino Depo. 28. Files sharing these common file number sequences may be located anywhere.

a "revision" of the individual periodical issues from which the articles were taken." (5a).

It answered that question by looking at the plain meaning and structure of the statute, noting that "[u]nder ordinary principles of statutory construction, the second clause must be read in the context of the first and third clauses." (9a-10a). It then applied this unremarkable principle to the concrete facts before it, reasoning: "The first clause sets the floor, so to speak, of the presumptive privilege," permitting the collective-work author to reproduce and distribute individual contributions as part of "a specific edition or issue of a periodical." (10a). The second clause then "expands" on the privilege by permitting "the reproduction and distribution of the individual contribution as part of a 'revision' of 'that collective work,' i.e., a revision of a particular edition of a specific periodical." (10a). Finally, the third clause sets an outer limit, permitting "the reproduction and distribution of the individual contribution as part of a 'later collective work in the same series,'" (10a) — which, as petitioners have acknowledged, means simply "a later issue of its magazine." Pet.Bf. 26.

Giving the three-part privilege its "most natural reading," the Court found that the middle clause was intended to protect "later editions of a particular issue of a periodical, such as the final edition of a newspaper." (10a-11a). Surveying the features and character of the databases at issue, the Court concluded that none of them could be said to constitute a revised version of an edition of a specific periodical. (14a-17a).

The Court below further noted that in addition to reproducing and distributing respondents' articles as discrete works, petitioners had made them part of "new anthologies" — the databases themselves. These databases were created by collecting and assembling innumerable articles and other pieces of text from myriad different sources. J.A. 216a-328a, 331a. The resulting compilations owed their origin to the database producers, and thus were not in the same "series" as the print publishers' collective works. (17a).

Having concluded that whether respondents' articles were being offered as individual articles or as part of new anthologies, petitioners had infringed respondents' copyrights, the Second Circuit reversed and remanded with instructions to enter judgment for respondents on liability. (2a, 22a) In response to petitioners' motion for rehearing and/or rehearing en banc, on February 25, 2000, the Court of Appeals issued an amended opinion clarifying its ruling in two respects[7] and otherwise reiterating its findings and conclusions. On April 6, 2000, the entire Second Circuit denied petitioners' motion for rehearing en banc, without dissent.

The Issues Before This Court

Petitioners' petition for certiorari claimed that the decision below would have disastrous consequences, and was in conflict with two of this Court's seminal copyright decisions, *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991) and *Sony Corp. of America v. Universal City Studios*, 464 U.S. 417 (1984). The question petitioners presented for review was:

> [W]hether a publisher's reproduction and distribution of its *entire periodical* not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyrights held by contributing freelance authors.

Cert.Pet. at i (emphasis added). In their brief on the merits in this Court, petitioners restated their question presented as follows:

> Are reproduction and distribution of a periodical in electronic form, as well as in print, privileged under Section 201(c) of the Copyright Act *or does* electronically pub-

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[7] The Court made clear in its Amended Opinion that the § 201(c) privilege is both "non-assignable" and "non-exclusive," and that it constitutes a default rule. In other words, that it applies "in the absence" of an express agreement between a publisher and a writer and *not*, as petitioners claim, in the absence of an agreement *to the contrary*. (8a; 20a-21a). *But cf.* Pet.Bf. 11 n.9. Authors retain any rights that they do not expressly give away; they do not have to reserve any rights under a contract. 17 U.S.C. § 201(a), (c).

lishing *the same contents* infringe upon the copyrights held by contributing freelance authors?

Pet.Bf. at i (emphasis added).

SUMMARY OF ARGUMENT

I. The Copyright Act of 1976 makes a clear distinction between copyright in a contribution to a collective work and copyright in the collective work *per se*. 17 U.S.C. § 201(c). The collective work author's copyright "extends only to the material contributed by the author of such work." 17 U.S.C. 103(b). It does not extend to "the preexisting material employed in the work" or "imply any exclusive right in the preexisting material." *Id.* This means both that: (1) the freelancer's copyright is not abrogated by its inclusion in a collective work, *see Stewart v. Abend*, 495 U.S. 207, 223, 231, 235 (1990),[8] and (2) the collective work author is necessarily in the position of a prospective "licensee" with respect to the freelance material. If the publisher wishes to print, reproduce and distribute its collective works — *with a freelance contribution included* — then it must either expressly obtain rights in the contribution from the freelancer or an exemption from liability. Otherwise, its publication will be infringing. 17 U.S.C. § 501.

Section 201(c) of the Act establishes a default rule that applies in the absence of an express license or assignment. 17 U.S.C. § 201(c). By affording the newspaper and magazine publisher the "privilege" of reproducing and distributing a contribution "as part of" its collective works, the section affords the publisher the mechanical license it needs to print and distribute its periodical. As long as it acts within the limits of the privilege, the privilege also effectively affords the publisher a personal exemption from liability.

The question with which the Court is presented, therefore, is whether petitioners in this case acted within the limits of that privilege or, alternatively, whether they violated respon-

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[8] *Abend, supra*, was decided in the context of derivative works rather than compilations. However, under § 103(b), the same principles would apply.

dent freelancers' rights when they took freelance articles that had once been part of a collective work and placed them into one or another of three specific databases. While there are differences between the three databases, for purposes of this case, those differences are not material. *See* discussion, *post*, at 34-35.

To determine whether or not petitioners acted within the privilege, the Second Circuit began by looking at the precise language of § 201(c). It provides that "the owner of copyright in the collective work [i.e., an issue of a newspaper] is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of [1] that particular collective work, [2] any revision of that collective work, and [3] any later collective work in the same series." 17 U.S.C. § 201(c). The parties are agreed as to the meaning of Clauses 1 and 3. In the context of *Newsday* and *The New York Times*, they agree that (1) Clause 1 refers to the first edition of a newspaper in which an article is printed, and (2) Clause 3, to a subsequent day's issue of the same newspaper.

As petitioners must concede that the databases at issue here are neither the "particular collective work" in which the contributions first appeared, nor "a later collective work in the same series," they labor to convince the Court either: (1) that the databases of which the contributions now form "a part" *constitute* a "revision" of each of the print publishers' collective works in which a contribution originally appeared, or (2) that the databases *contain* such revisions.

II. *The databases do not contain revised editions of the print publisher's collective works:* Although petitioners repeat the assertion over and over again that they have placed "electronic copies" or "versions" of the print publishers' collective works on-line, the facts establish the opposite and both Courts below so found. (4a, 5a, 14a-17a, 29a). The facts establish that, rather than send NEXIS either original or revised editions of intact collective works, the print publishers sent Mead separate electronic envelopes, each of which contained a single article. LEXIS/NEXIS then placed these individual articles on-line and made them individually retrievable.

Liability is established on the basis of these facts alone.

This is necessarily so because it is clear, under these circumstances, that there are no "copies" of the print publisher's collective works fixed in the databases. *See Matthew Bender & Co. v. West Publishing*, 158 F.3d 693, 702-703 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999). The only works fixed in the database are *individual* articles. *Id.* Those that are freelance articles owe their "origin" to their freelance authors. 17 U.S.C. § 201(c). It is the freelance author's copyright, therefore, and not the collective work author's copyright that subsists in them. *See* 17 U.S.C. § 102 ("copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression . . ."). *See also Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 355 (1991).

Not only does § 201(c) not authorize extending the collective work author's copyright to these articles on the basis that they had *once* been part of a collective work, but § 103(b) on its face absolutely forbids such an extension. *See* 17 U.S.C. § 103(b) ("[t]he copyright in a compilation . . . extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material").

III. *The databases do not constitute revised editions of the print publisher's collective works:* While the parties are not agreed as to the meaning of the language in Clause 2 of the privilege ("any revision of that collective work"), they nonetheless agree on certain criteria that must be applied in determining its meaning. Most significantly, perhaps, they agree that for a work to come within Clause 2, it must be recognizable as a version of the Clause 1 work. Pet.Bf. 9. They further agree that, as far as newspapers are concerned, Clause 1 refers to *the first edition* of a particular newspaper in which a contribution appears on a given day.

The question then becomes: what resembles that first edition, but is not a subsequent day's issue of the newspaper? The

answer the Second Circuit supplied was required by a natural reading of the statute: *other editions of the same day's newspaper*. (10a-11a). Contrary to petitioners' suggestion, there is nothing outlandish about the Second Circuit's reading of the plain meaning of § 201(c) or the fact that the Court paid attention to all three of its clauses. Not only is its conclusion that the databases at issue here do *not* resemble morning editions of millions of different periodicals consistent with the only logical reading of § 201(c), it is also consistent with the Act as a whole, its Constitutional mandate and legislative purpose, and any accurate reading of the legislative history.

It is petitioners' suggestion that NEXIS *does* resemble the May 3rd, 1993 morning edition of *Newsday* that is outlandish. And, that it also and simultaneously resembles all other individual periodical issues that were the original source of its 2.8 billion articles. Indeed, unless the concept of recognizability is itself to be deprived of all meaning, none of these gargantuan, amorphous and ever-changing databases can be equated with an evening edition of a newspaper.

Petitioners themselves would appear to have reversed their position on this question for, in the past, they eschewed the position that databases constitute "revisions." They do not constitute revisions, they said; they only contain them. *See* Appellees' Brief at 60 and 60 n.49. *See also* footnote 5, *ante*.

In fact, as the Second Circuit recognized, they do neither.

IV. *Petitioners' affirmative defenses:* Petitioners' defenses rely upon the same mischaracterization of facts as their legal theories. First, neither respondents nor the Court below rely upon the conduct of end-users; it is, and always has been irrelevant. *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984). Petitioners describe what can be generated and displayed by end-users performing certain searches only because this is tangible evidence of what respondents put into their databases. By the same token, conduct by end-users such as historians and researchers can no more

save petitioners from liability (as some amici suggest it should) than it can condemn them.

Nor can blame be placed on the electronic medium. Petitioners attempt to do this by suggesting that if they are allowed to use electronic media at all, then they must be allowed to do whatever their format of choice requires of them. (Cert.Pet. 26-27, Pet.Bf. 4, 12, 18, 40, 43). This assertion has no support in either the facts or logic. Petitioners confuse media with formats. There is no evidence to support the conclusion that the desire to use the electronic medium compelled their choice of a particular format or that they were required to disassemble their collective works in order to make use of the electronic medium. In fact, the evidence is to the contrary. Digital formats that do *not* require the deconstruction of collective works were clearly available to them.

In any event, petitioners misconstrue the principle of medium neutrality, which merely means that copyright protection continues to attach to a work regardless of the medium in which it is first created or thereafter properly reproduced. It does not mean that a person who acquires a privilege to use a work necessarily acquires the right to reproduce and distribute it in any and all media or formats.

Petitioners also argue that even though they may have placed individual articles into the databases, an inchoate copy of the original collective work somehow resides therein, albeit dispersed throughout the database. Even assuming *arguendo* a factual predicate, this argument flies in the face of the principle that copyright protection extends to the "expression" or embodiment of a collective work, and not its mere concept. Without "embodiment", there can be no "copy" or "revision" of the collective work, and thus, no § 201(c) privilege. *See generally, Matthew Bender, supra.*

The "aggregate uses" defense is an inversion of petitioners' "inchoate copy" theme. It posits that so long as all (or most of) the other articles originally published in the same collective work can also be individually retrieved, the database qualifies for protection under § 201(c). Such a reading of the sec-

tion would extend copyright protection to preexisting works and thus conflict with § 103(b) of the Act, and interpret the words "as part of" a collective work in § 201(c) to mean "transmitted or reproduced *at about the same time* as other components of" such a work.

Finally, petitioners argue that if the Court does not read the statute to mean what it wants, they will be forced, in effect, to inflict grave damage on the "national archives," now stored in their electronic products. Affirmance would, they insist, require the deletion of all illegally reproduced works, creating a hole in the historic record. Affirmance would not affect the historic record. Notwithstanding petitioners' threat of self-inflicted wounds, the issue of remedies has yet to be addressed, and the statute must be construed not to achieve or avoid certain results, but in accordance with established norms and principles.

V. *Issues The Second Circuit Did Not Reach:* There were essentially three issues before the Second Circuit with respect to § 201(c): (1) its scope, (2) its transferability; and (3) whether it could properly be exercised in the electronic medium. Although the Second Circuit did not address either of the latter two issues, they also support the judgment in respondents' favor. We address both of these issues, *post*.

We begin with the transferability issue since the statutory provisions and legislative history that relate to that issue also relate to the privilege's scope.

ARGUMENT

I. The Statute And Its Plain Meaning:

A. The Section 201(c) Privilege Is Non-Assignable, Non-Transferable And Non-Exclusive.

1. A "Privilege" Is Not A "Subdivision Of An Exclusive Right."

The District Court held that the privilege provided in § 201 (c) of the Act is transferable under § 201(d)(2) without the consent of the author of an affected contribution. The court reasoned that § 201(d)(2) provided for the transfer of "[a]ny

of the exclusive rights comprised in a copyright, including any subdivision of . . . [such] rights", and the § 201(c) privilege constituted such a "subdivision." (47a-49a). The Second Circuit concluded that it did not have to reach this issue. (7a) The District Court's view is mistaken.

Article I, Section 8, Clause 8 of the Constitution grants Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right *to their* respective Writings and Discoveries." (Emphasis added).

Consistent with this mandate, Congress has made a clear distinction between copyright in a collective work or compilation and copyright in the underlying contributions. 17 U.S.C. § 201(c). The copyright in the compilation "extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." 17 U.S.C. §103(b). Thus, after publication in a newspaper or magazine, a freelancer continues to have exclusive rights in his contribution as well as the power to transfer all or any portion of those rights. 17 U.S.C. §§ 103(b), 201(d)(2). *See also Stewart v. Abend*, 495 U.S. 207, 216, 223, 231, 235 (1990); *Russell v. Price*, 612 F.2d 1123, 1128 (9th Cir. 1979), *cert. den'd*, 446 U.S. 952 (1980).

Section 201(d)(2) provides that "[a]ny of the exclusive rights comprised in a copyright, including any subdivision of . . . [such] rights" may be "transferred and owned separately." Section 101, in turn, defines such a "transfer of copyright ownership" as including "any . . . conveyance . . . of . . . exclusive rights. . . , *whether or not it is limited in time or place of effect.*" It is thus clear that what Congress was referring to in § 201(d)(2) when it referred to a "subdivision" of an exclusive right was such types of limitations — "in time or place of effect."

2. The Privilege Represents A Personal Exemption From Liability And Not A Transferable Ownership Interest In Property.

Contrary to the suggestion of certain amici, language in both the statute and the Constitution make it clear that the privilege provided for in § 201(c) is a personal exemption from liability and not a transferable property interest.

First, while Congress uses the words "rights," "exclusive rights," and "copyright" almost everywhere else in the Act, in § 201(c), it uses the word "privilege." That word has historically referred to a strictly personal prerogative, not a transferable property right. Webster's Third New International Dictionary 1805 (1976). *See* 8 Wigmore, Evidence, Section 2196, p. 111 (1961) (". . . [a] claim of privilege can be made solely by the person whose privilege it is. The privilege . . . is purely personal.") *See also, e.g., United States v. White*, 322 U.S. 694, 698-99 (1944); *Picard v. East T., V. & G.R. Co.*, 130 U.S. 637, 642 (1889); *Chesapeake & O.R. Co. v. Miller*, 114 U.S. 176, 185 (1885) ("rights . . . may be conveyed"; "privileges" are "personal and incapable of transfer without express statutory direction").

Second, in the few other instances in the Act where Congress has provided for a "privilege" rather than a "right," it is clear that what has been provided is an exemption from liability. Thus, sections 109(a) and 109(c) of the Act afford a person who acquires ownership of a "material object" — as opposed to a "work"[9] — the "privilege" of displaying the object (§ 109(c)), and of selling or otherwise disposing of it (§ 109(a)), notwithstanding that he or she has no copyright rights in the embodied work. Sections 109(a) and (c) permit someone who acquires a material object, but not the copyright in the underlying work, to do something that would

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[9] *See* 17 U.S.C. § 202 ("Ownership of a copyright, or of any of the exclusive rights under a copyright, is distinct from ownership of any material object in which the work is embodied. Transfer of ownership of . . . [the] material object . . . does not of itself convey any rights in the copyrighted work embodied in the object.")

otherwise constitute copyright infringement without incurring any liability. They permit the person to sell or display the object without violating §§ 106(3) and 106(5).

Congress' use of the word "privilege" in § 201(c) is consistent with its use in these provisions. It permits a publisher to reproduce and distribute publications in a particular series without incurring liability under the Act. *See* Black's Law Dictionary 1359 (Rev. 4th ed. 1968) (defining the term "privilege" *inter alia* as "[t]hat which releases one from the performance of a duty or obligation . . . or exempts one from a liability. . .").

Third, the District Court reasoned that the privilege was transferable on the ground that the § 201(c) privilege constituted a species (or sub-species) of any "exclusive right." (47a-49a). That conclusion cannot be reconciled with the language of §103(b): "[t]he copyright in a compilation . . . does not imply any exclusive right in the . . . [underlying contributions]."

Hence the most that a newspaper or magazine publisher can be said to obtain under the § 201(c) privilege is a non-exclusive license.[10] The recipient of a non-exclusive license receives only a "mere waiver of the right to sue." He or she does not secure an ownership interest in property. *See, e.g., General Talking Pictures Corp. v. Western Elec. Co.*, 304 U.S. 175, 181 (1938), *adhered to*, 305 U.S. 124, *reh'g denied*, 305 U.S. 675 (1939)(a nonexclusive license "amount[s] to no more than a mere waiver of the right to sue.") And, because he does not secure an ownership interest in property, his "license" is not transferable to a third-party. 17 U.S.C. § 101 (the term "transfer of copyright ownership" is defined as excluding "a nonexclusive license"). *See also* 3 Nimmer § 10.02 [B][4]; *Harris v. Emus Records Corp.*, 734 F.2d 1329, 1333

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[10] *See generally, Abend*, 495 U.S. 207, 223, 231, 235 (1990) (majority opinion). *See also* 495 U.S. at 242, 248 (dissent).

(2d Cir. 1984); *Ilyin v. Avon Publications, Inc.*, 144 F.Supp. 368 (SDNY 1956).[11]

Fourth, any construction of § 201(c) that gives a publisher more than a mere waiver of the right to sue or nonexclusive license would run afoul of the constitutional mandate. Why? Because the constitutional grant of power was a limited one. Congress was granted the power to "secur[e] to Authors and Inventors the exclusive Right *to their respective Writings*." (emphasis added). Any statute that purported to confer an exclusive right on a person other than the author, without the author's consent, would exceed the constitutional grant.

In any event, petitioners have as much as conceded that the statutory license conferred on them is a nonexclusive one:

> THE COURT: . . . Do you concede that an author who gives an article to a newspaper like the New York Times . . . retains the right to take that article and have it published in a different methodology if he cho[oses] to.
>
> MR. KELLER: In fact, Your Honor, there is testimony in the record that every single one of the respondents did that.
>
> THE COURT: They retained that right?
>
> MR. KELLER: Absolutely.
>
> THE COURT: Could they, if they chose, sell their individual article to NEXIS?
>
> MR. KELLER: Yes, they could.

J.A. 338a-339a. The Second Circuit agreed with that assessment. On February 25, 2000, it amended its opinion in this

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[11] Nonexclusive patent licenses are, similarly, non-transferable as a matter of law. *See, generally, Jim Arnold Corp. v. Hydrotech Systems, Inc.*, 109 F.3d 1567, 1577 (Fed. Cir. 1997); *Gilson v. Republic of Ireland*, 787 F.2d 655, 658 (D.C. Cir. 1986); *PPG Industries Inc. v. Guardian Industries Corp.*, 597 F.2d 1090, 1093 (6th Cir. 1979); *Franz Chem. Corp. v. Philadelphia Quartz Co.*, 594 F.2d 146, 148 (5th Cir. 1979); *Unarco Industries, Inc. v. Kelley Co.*, 465 F.2d 1303, 1306 (7th Cir. 1972), *cert. den'd*, 410 U.S. 929 (1973).

matter to hold that the privilege provided for by § 201(c) is both "non-assignable" and "non-exclusive." (8a).

B. The Scope Of The Privilege: Publishers Are Given A Privilege To Include A Contribution In A Particular "Series."

As the Second Circuit recognized, the scope of the privilege provided by § 201(c) depends on the statute's language. (9a). The language is plain. A newspaper or magazine that includes a freelance contribution with permission, but without an express transfer of rights, is given the "privilege" of reproducing and distributing that contribution "as part of [1] that particular collective work, [2] any revision of that collective work, and [3] any later collective work in the same series."

Three things are immediately apparent. First, the three clauses whose construction is at issue describe a single privilege, with each clause constituting a branch of the privilege. Second, under this privilege, a contribution can be reproduced and distributed only as part of a work described by one or another of these three branches. And, third, the works encompassed by the second and third branches are defined *in terms of, and relation to, the works covered by the preceding clauses*.

Thus, the first clause provides for a contribution to be reproduced and distributed as part of "that particular collective work," which the parties agree means the "magazine, newspaper or encyclopedia edition in which the article is first published." Pet.Bf. 26. The second branch provides for reproduction and distribution as part of any revision "*of that collective work.*" And, the third branch provides for reproduction and distribution as part of a later collective work "*in the same series*" as the preceding two branches.

This is far from a statute in which the terms stand entirely "on their own," with "no indication that Congress intended th[e] terms to limit each others' scope," as petitioners claim. Pet.Bf. 16. Both the language and the structure of the Act make it clear that the terms of one clause define the scope of the others. The principle of *noscitur a sociis* therefore applies.

See, e.g, Gutierrez v. Bordallo, 528 U.S. 250, 255 (2000) (the Court utilized *noscitur a sociis* to interpret the words "any election," noting that the principle "is often wisely applied where a word is capable of many meanings in order to avoid the giving of unintended breadth to the Acts of Congress"); *United States v. Ryan*, 284 U.S. 167, 175-76 (1931) (the Court utilized it to narrow the seemingly all-encompassing phrase "all personal property whatsoever"). *See also* Stephen Breyer, "On The Uses Of Legislative History In Interpreting Statutes," 65 S.Cal.Law Rev. 845, reprinted in 3 Singer, Sutherland Stat. Const. at 376 (5th ed. 1993) ("the word 'any' in a statute rarely means 'any at all in the universe'" and "almost always has some context-implied limitation").

Petitioners' second objection to the way the Second Circuit interpreted § 201(c) is equally untenable. Pet.Bf. 16, 25. It was perfectly proper for the Second Circuit to consider the structure of the statute in ascertaining its meaning. *See, e.g., United States National Bank of Oregon v. Independent Insurance Agents of America, Inc.*, 508 U.S. 439, 455 (1993) ("Statutory construction . . . must account for a statute's full text, language as well as punctuation, structure, and subject matter."); *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 748 n.14 (1989); *Rodriguez v. Compass Shipping Co.*, 451 U.S. 596, 617 (1981). The Court's determination that the first and third clauses established lower and outer limits for the privilege, and that the second clause occupied the middle ground (10a) would seem compelled by plain logic as well as plain meaning.

Indeed, petitioners have as much as conceded that the statute must be read in this way.

How? In assuming the following four different positions.

First, they agree that under § 201(c), a contribution can only be included in the collective works of *one* "series"[12] — the

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[12] The parties agree that the word "series" refers to a particular periodical or publication. Pet.Bf. 26; NGS Amicus 13 ("The word 'series' . . . encompasses 'a number of successive parts or volumes of a periodical publication.'" *Webster's Third New Int'l Dictionary* 2073 (1976).)

periodical in which it was initially published. Pet.Bf. 11.[13] Thus, it cannot be published first in an issue of *The New York Times* and subsequently in an issue of *The Boston Globe.* (63a, 77a). *Accord*, Pet.Bf. 11; OA at 6-7. This is so even if the two periodicals — as is true with the *Times* and the *Globe* — are published by the same publisher. This limitation derives from the plain language of the privilege.[14]

Second, they have acknowledged that for a work to constitute a "revision of that collective work," within the meaning of the privilege's second branch, the revision must not only represent a "new, amended, improved or up-to-date version" of the work referred to in the first clause (i.e., "that collective work"), it must be *recognizable* as a version of it. Petitioners thus have acknowledged that the *sine qua non* of revision is recognizability as a "version" of the original work.[15]

Third, they acknowledge that "recognizability" requires a discrepancy of no more than 50% between the contents of the original and revised works. Pet.Bf. 30, 40. The NEXIS database is not a "version" of every daily edition of every newspaper some of whose contents it contains. Each such newspaper represents not 50%, but an infinitesimal fraction, of what is in NEXIS.

The term "collective work" refers to a particular issue or edition of such a publication.

[13] *See also* Pet.Bf. 31 n. 20, where petitioners admit that, as drafted, the first two clauses of § 201(c) were intended to pertain to the *"publication . . . [of] a particular issue of a particular periodical."* (emphasis added). They contend that the third clause was added to cover republication in a *later* issue of the same periodical. *Id.*

[14] Read naturally, the third clause provides for including contributions in later collective works "in the same series" as the collective works in the first and second branches. It necessarily follows, therefore, that all three branches refer to works "in the same series."

[15] *See, e.g.*, Pet.Bf. 9, wherein petitioners concur in the District Court's observation that a revision "must be recognizable as a version of a preexisting collective work if it is to be fairly characterized a revision of 'that collective work.'" (61a).

Fourth, and finally, they have acknowledged that for a work to come within the third clause, it need merely be "a later issue" of the same newspaper or periodical. Pet.Bf. 26.

Together, petitioners' concessions spell out a simple calculus. In that calculus:

> CW^1 (or the collective work referred to in clause 1) is the first *edition* in a particular periodical, magazine or newspaper series in which a contribution is published. Pet.Bf. 26. As such, it defines the "series" (or particular publication) to which reproduction of the contribution is thereafter limited under § 201(c). It also establishes the baseline against which a Clause 2 work is measured for recognizability.
>
> In order to qualify as a Clause 2 work or CW^2, a work must be in the same series as the Clause 1 work, be recognizable as a version of it and differ from the Clause 1 work in no more than half of its contents.
>
> In order to qualify as a Clause 3 work or CW^3, a work need not meet as many criteria. It need only be in the same series as the clause 1 work and share *one* contribution in common with it — the contribution in question.

Whether one views this calculus from the standpoint of simple linguistic common sense or basic Cartesian logic, it is indisputable that Clause 1 represents the statutory baseline for the privilege, Clause 3 sets the outer limit, and Clause 2 occupies the middle ground.

This does not, however, resolve the issues raised. Having read the language of the section in light of its structure and context, these must be applied to concrete facts. The Second Circuit did this — simply, straightforwardly and elegantly — by asking, essentially, the following question: What is it that is published in the same "series" as CW^1, is a commonly recognized version of it, and yet is not a "later" collective work in the same series?

As the Second Circuit found, the answer is obvious: later editions of the issue in which a contribution first appears.

(Since it is stipulated that CW[1] is the *first* edition in which a contribution appears on a particular day, any other editions of that day's paper to include the contribution will be "later editions" by definition. They are not "later collective works," however, because a later collective work is a different issue).

The same conclusion must be reached, even without considering the section's structure, merely construing § 201(c)'s language in light of what the NGS brief suggests is Congress' predilection for "*avoid*[ing] any gaps in coverage." NGS Amicus 5 (emphasis in original). All three clauses refer to collective works in the same series and the meaning of the first and third clauses is plain. The gap can therefore be quantified.

The first clause ("that particular collective work") refers to the particular edition of the magazine or newspaper in which an article first appears. *Accord,* Pet.Bf. 26. The third clause ("later collective work in the same series") refers to a later *issue* of the same magazine or newspaper. *Id.*, citing H.R. Rep. No 1476 at 122, J.A. 706a. What is left, then, to be covered by the second clause are other *editions* of the original day's issue.

This reading leaves substantial scope for the second Clause of § 201(c). As the Second Circuit recognized, because the Clause's "later editions are not identical to earlier editions, use of the individual contributions in the later editions might not be protected under the preceding clause." (10a-11a). Thus, "[g]iven the context provided by the surrounding clauses," interpreting the phrase "any revisions of that collective work" to mean later editions of a particular issue of a periodical "makes perfect sense." (11a). "It protects the use of an individual contribution in a collective work that is somewhat altered from the original in which the copyrighted article was first published, but that is not in any ordinary sense of language a 'later' work in the 'same series.'"(*id.*).

This definition covers a considerable number of works every day that would not otherwise have been permitted, absent an express transfer. Pet.Bf. 43; Database Producers'

Amicus 16-17. For example, in the case of both *Newsday* and *The New York Times*, the second Clause permits reproduction of respondents' works in a dozen different daily editions. M002019, J.A. 215a. Each of these editions is "different" in some way. Database Producers' Amicus 16-17. And, according to petitioners, the differences can be significant. *See, e.g.*, Pet.Bf. 46 n. 32) ("[t]he 'final edition of a newspaper' often alters the 'arrangement' of the earlier editions in significant ways . . . ").

Even if petitioners exaggerate the difference, each edition is clearly a different "work" within the meaning of the Act. *See* 17 U.S.C. §101 ("where . . . [a] work has been prepared in different versions, each version constitutes a separate work"). This necessarily means that only one of these editions (or "works") will constitute "that *particular* collective *work*" for purposes of the first Clause of the privilege and that they cannot all be brought within the rubric of Clause 1. It further means that each of these editions is separately copyrightable and separately registrable.

Petitioners themselves effectively acknowledge this in their registrations. Thus, the *New York Times* seeks to include different editions under the cover of one application. E.g., LVII 160-175. Newsday Inc. files separate registrations for its different editions or revisions. LVII 184-189 (showing, e.g. separate registrations for its Nassau, Suffolk and City editions). Without Clause 2 as construed by the Second Circuit, each of these publishers would be able to include a contribution in only one of their dozen editions — i.e., in only 8.3% of their daily output.

C. The Scope Of The Privilege: Publishers Are Not Given The Privilege Of Public "Display"

On its face, § 201(c) affords publishers the privilege of "reproducing" and "distributing" contributions as part of their collective works. 17 U.S.C. § 201(c). It does not give them the privilege of publicly "displaying" them. This omission is significant since the "right of public exhibition" — which became the § 106(5) "display" right — was created, in large part,

in order to accommodate electronic storage and retrieval systems. *See* 17 U.S.C. § 101 (definition of phrase "to perform or display a work 'publicly' "); § 106(5). *See also* Appendix I.

II. The Legislative History Confirms The Plain Meaning Of The Provision.

While respondents rely on the factual determinations of the lower courts and a natural reading of the statute, we briefly discuss the legislative history of § 201(c) to show that it fully supports the plain meaning of that statute.

A. The History Of Section 201(c) Confirms That The Privilege Is Not Transferable.

It is clear from the rejection of an earlier version of the section that § 201(c) confers a party-specific privilege, and not, as publisher petitioners must convince this Court, a "right" that they may sell or otherwise transfer. The careful distinction in § 201(c) between a "transfer" of rights, on the one hand, and a "privilege" to publish, on the other, emerged from a drafting process that focused on this very issue.

An early draft of the 1976 Copyright Act provided that a publisher could include a contribution in the original collective work to which the freelance author contributed it and "in a similar composite work."[16] One of the representatives of authors' groups — Harriet Pilpel — complained that the language was objectionable because it would permit *one* print publisher (i.e., the publisher of the newspaper or journal that originally included the contribution) to license or sell it for inclusion in another publisher's *"similar composite work."* *See* Copyright Law Revision, Part 2 at p. 151-152, LVI 39-40. That would deprive freelancers of a right that they would otherwise have been able to exercise. A consortium of book

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[16] The actual language of the Register's original recommendation was somewhat more convoluted. It provided that publishers would continue to secure the copyright in individual contributions and "hold in trust for the [freelance] author all rights in the author's contribution, except the right to publish it in a similar composite work and any other rights expressly assigned." Copyright Law Revision, Part 1 (1961 Report), at p. 88, LVI 17.

publishers registered a similar complaint respecting their publications:

> [W]e would have no objection to the foregoing if the phrase "except the right to publish it in a similar composite work" had been worded so that as to composite works other than periodicals, the publisher may issue revised editions, *but without the right of assignment to another publisher*. In the case of a periodical, we believe that the right of publication should be restricted to the particular issue.

Statement of the Joint Copyright Committee of American Book Publishers Council, Inc. and American Textbook Publishers Institute (emphasis added), Copyright Law Revision, Part 1 (1961 Report), at p. 230, LVI 19.

In response to these objections, the Copyright Office withdrew the overly broad "similar composite work" proposal and substituted a much more narrowly drawn proposal. The new version of § 201(c) deleted the reference to "right[s]" and afforded publishers only "the privilege" of publishing a contribution in "that particular collective work." In a statement accompanying the transmittal of the preliminary draft bill in 1964, General Counsel for the Copyright Office confirmed that the provision had been redrafted so as to meet these objections:

> In the course of our previous discussions of . . . [the 1961 Report], strong arguments were made that *there should not be a presumption of transfer of ownership, in the absence of an express transfer,* of the right to publish the contribution in a similar collective work. *We have adopted that argument . .*

Comments of Copyright Office General Counsel, Copyright Law Revision, Part 3, p. 258, LVI 77(emphasis added).

Contemporaneous with its decision not to give publishers a presumed ownership interest in property that could be transferred to a third party, the Copyright Office redrafted the provision in such a fashion as to afford publishers a "privilege" instead of a "right."

With this change, the 1964 bill — like the eventual act — afforded publishers "only" the "privilege" of publishing a contribution "in that particular collective work." Although subsequent changes permitted a publisher to include a contribution in more of its *own* works[17] — i.e., in additional editions or issues of one of its *own* newspaper or magazine series — the Copyright Office never again sought to afford publishers a property interest that they could transfer to a third party. Thus, the subsequent changes never implicated or affected the distinction established in the section between a "transfer" and a "privilege," nor required reversion to use of the word "right" to describe what publishers were being given.

Significantly, the phrase "transfer of ownership," used by the General Counsel in his transmittal letter, was also assuming new dimensions in the 1964 draft proposal. Ultimately, its new meaning was embodied in the provisions that are now §§ 101 and 204. Specifically, § 204 was expanded so as to permit persons to record exclusive licenses and mortgages as "transfers of copyright ownership." This, in turn, led directly to the definition of "transfer of copyright ownership" that appears in the current § 101. That provision defines a "transfer" as meaning

> an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright *or of any of the exclusive rights* comprised in a copyright, whether or not it is limited in time or place of effect, *but not including a nonexclusive license.*

17 U.S.C. § 101 (emphasis added). *See also* Copyright Law Revision, Part 3, 1964 Preliminary Draft, § 17 n. 13. Thus, the copyright revision process drew a clear and deliberate distinction between interests that constituted transfers of copyright or exclusive rights under a copyright, and those that did not.

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[17] This took place in two stages. The first stage involved permitting a publisher, in addition to including a contribution in "that particular collective work," to include it in any revised editions it created. The second stage involved further permitting the publisher to include a contribution in a later issue of the same periodical.

It follows that if the second sentence of § 201(c) does not effect a "transfer of ownership" — as the General Counsel of the Copyright Office made clear it does not — then the privilege provided in that section: (1) cannot give a publisher exclusive rights or a subdivision of an exclusive right in a freelancer's contribution; (2) cannot give a publisher a property interest that it can convey to a third party; and (3) gives a publisher only the equivalent of a non-exclusive license or waiver of the right to sue.

Petitioners appear to have come to the same conclusion. *See* J.A. 338a-339a. So have their amici. *See* Publishers' Amicus 21 (wherein the publishers represent that they have "typically paid for what they and the authors understood to be non-exclusive licenses . . .").

B. The Legislative History Confirms That The Privilege Was Only Meant To Be Exercised Within The Same "Series."

The legislative history expressly confirms that the privilege of § 201(c) does not permit the publisher of a collective work containing a freelance contribution to "revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work." H.R. Rep. No. 1476 at 122-23, J.A. 706a. In other words, not only can a publisher not transfer its interest to a third party — for publication in the *third party's* works — it can only include a freelance contribution in *one* of its own series. The "series" to which the freelance contribution is limited is the "same" series in which it was originally published. Thus, it can be published in other editions and later issues of that same newspaper or periodical, but not a different periodical published by the same publisher. This is not a medium-specific limitation; the publisher could no more reprint the contribution in a book of articles on a particular theme or include it in a CD-ROM or NEXIS anthology.

C. Petitioners' Claim That § 201(c) Was Intended To Accommodate Electronic Information Storage And Retrieval Systems Is Erroneous.

Petitioners claim (at pages 34-37 of their brief) that Congress was aware of the existence and operation of electronic information storage and retrieval systems and that it fashioned the Act with such systems in mind. As a general proposition, that is true. It is not true, however, that § 201(c) was either drafted or intended to accommodate such systems. *See* LVI generally and Patry Report, LVI 299-343.

The language of § 201(c) was finalized by February 4, 1965. *See* LVI 300, ¶2. Congress did not begin seriously considering the copyright implications of electronic information storage and retrieval systems until several months later.[18]

And while Congress subsequently adopted the Register of Copyright's May 1965 recommendation to provide for a "right of public exhibition" in § 106 of the Act,[19] at no point between the 1965 recommendation and 1976 enactment of the Act was the language of § 201(c) modified to permit publishers to publicly "display" works as well as to "reproduc[e]" and "distribut[e]" them. This omission carries weight since the right of public "display" was, in large part, designed and created to cover computerized systems. LVI 206, H.R. Rep. No. 2237, 89th Cong., 2d Sess. (1966), pp. 55-56 ("The committee is aware that in the future electronic images may take the place of printed copies in some situations, and has dealt

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[18] *See* LVI 149, Copyright Law Revision: Hearings on H.R. 4347, 5680, 6831, 6835 before Subcomm. No. 3 of House Comm. on Judiciary, 89th Cong., 1st Sess. (1965), pp. 33, 43-44, 57, 63, 73, 161, 168-169; 1074-1076, 1147-1149, 1420-1461, 1467-1468, 1755-1769, 1861, 1898-1899; LVI 147, Copyright Law Revision: Hearings Before Subcomm. on Patents, Trademarks and Copyrights of Senate Comm. on Judiciary, 89th Cong., 1st Sess. (1965) p. 220; LVI 206, H.R. Rep. No. 2237, 89th Cong., 2d Sess. (1966), p. 53; LVI 216, Copyright Law Revision: Hearings before Subcomm. on Patents, Trademarks, and Copyrights of Senate Comm. on Judiciary, 90th Cong., 1st Sess. (1967), pp. 66-73, 90-96, 573-577, 688-689, 731-735, 1065-1067.

[19] This ultimately became the public "display" right. 17 U.S.C. § 106(5).

with the problem by amendments in sections 109 and 110, . . . without mixing the separate concepts of 'reproduction' and 'display.'"). *See also* LVI 129, Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law; 1965 Revision Bill, 89th Cong., 1st Sess., Copyright Law Revision, Part 6, pp. xviii, 20-21; H.R. Rep. No. 83, 90th Cong., 1st Sess. (1967), pp. 26-27.

Even in 1976, eleven years after the language in § 201(c) was finalized, Congress was still not sure how it wished to address the question of what it called "computer uses" — i.e., the practice of storing works in computer systems and making them available for retrieval. Rather than legislate with respect to the question, it established the National Commission on New Technological Uses of Copyrighted Works ("CONTU") to consider that and one or two-other computer-related issues and make copyright recommendations in the future. P.L. 93-573, 93rd Cong., 2d Sess. (1974), LVI 239-240. In the meantime, it adopted a stop-gap measure, § 117 of the Act, to prevent sections of the Act that might otherwise have been read as authorizing the use of works in conjunction with storage and retrieval systems from having that effect.[20] Significantly, Congress did not include section 201(c) among those sections that it subjected to the moratorium. It only included sections 106 through 116 and 118 of the Act.

There are two possible explanations: Either Congress intended to give periodical publishers a right that it was simultaneously denying everyone else — i.e., the right to use their works in conjunction with electronic information storage and retrieval systems — or there was no need to subject § 201(c) to the § 117 moratorium since Congress did not believe it could be read to authorize such use. The latter is the only rational explanation.

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[20] The section provided that notwithstanding the seeming applicability of sections 106 through 116 and 118 of the Act, no person would have any "greater or lesser rights with respect to the use of the work in conjunction with automatic systems capable of storing, processing, retrieving, or transferring information, or in conjunction with any similar device, machine, or process" than those rights the person held on December 31, 1977.

Even if petitioners were correct and collective work publishers could exercise the § 201(c) privilege in any and all media, the most that this could mean is that a publisher could reproduce its own collective works in different media, not that it could deconstruct its works and reproduce their component parts. To construe § 201(c) as permitting the latter in the context of an electronic database would be to deprive respondents and their works of copyright protection in the electronic medium that they are entitled to in print — and, thereby, to violate the very principle of medium-neutrality that petitioners have pretended to champion. If petitioners cannot cut a contribution out of a printed newspaper and offer it as a flyer on the streets, then they cannot accomplish or effect the same result electronically. Similarly, if they cannot include a contribution in a new "print" anthology, or authorize anyone else to do so, then they cannot include it or authorize its inclusion in a new electronic anthology either. As we will see in the next section, however, petitioners attempted to achieve both results.

III. The Case Against Petitioners Is Indisputable:

A. The Case Against Petitioners Is Clear On The Face Of The Statute

As the Second Circuit correctly recognized, one doesn't have to go beyond the four corners of the Copyright Act to determine the issues in this case. Liability is clear.

1. The Case Against The Print Publishers Is Clear:

As respondents amply demonstrated below, the print publishers in this case reproduced and transmitted the textual components of their newspapers and magazines to Mead as *individual* works and not "as part" of one or another of their *collective* works. BA ¶¶ 10-19, J.A. 22a-80a. Both courts below so found. (4a, 5a, 29a).

The publisher-petitioners respond to this argument by claiming that by transmitting all of a day's individual article-files to NEXIS at more or less the same time, they are in fact

transmitting "issues." Pet.Bf. 41-42; Cert.Pet. 22-23. Petitioners' argument is mistaken. The Act is clear. There must be an embodiment of a collective work *as* a collective whole for there to be a copyrightable "issue." 17 U.S.C. § 101 (under the definition of "collective work," it is not enough that contributions be "assembled;" they must be "assembled into a collective whole"). Here, the only embodiments the databases contained were those of individual articles.

By reproducing and distributing these articles other than "as part of" collective works, petitioners acted outside the privilege.

2. The Case Against The Database Producers Is Clear:

The case against the database producers can be analyzed according to either of two models: the "copy-shop model" or the "new anthology model." In each instance, liability is clear.

Under the "copyshop model," the database producer exceeds the privilege of § 201(c) by reproducing and, in the case of UMI, distributing freelance contributions as individual or stand-alone works — i.e., not "as part of" anything, as § 201 (c) requires. Under the "new anthology model," the database producer exceeds § 201(c) by reproducing and, in the case of UMI, distributing freelance contributions "as part of" new anthologies or compilations that do not qualify as § 201(c) works.

Respondents Garson and Robbins agree with General Starr that the reason the "new anthology model" applies in this case is because individual articles were not placed into a database as part of *intact* copies of collective works. Had a contribution appeared in a database solely by virtue of the fact that the entire undeconstructed collective work of which it was a part was fixed in the database, then an "all media-inclusive" § 201(c) would not have been violated.

The Copy-Shop Model: The function that Mead and UMI or, indeed, many databases or database producers serve these days is not so very different from that served by Kinko's or the Michigan Document Services Company. At the public's request, they each copy discrete elements of previously published collective works and bring those discrete elements together in new combinations. Just as their conduct constitutes copyright infringement, so does the conduct of the database producers. *See generally, Princeton University Press v. Michigan Document Services, Inc.*, 99 F.3d 1381, 1384-85 (6th Cir. 1996); *Basic Books, Inc. v. Kinko's Graphics Corp.*, 758 F.Supp. 1522 (S.D.N.Y. 1991).

There is, however, a significant difference between the traditional commercial copyshop and the three electronic databases at issue here. Generally, the copyshop takes an intact collective work and selects for copying discrete pages or selections only upon the request of a customer. The electronic databases here, on the other hand, don't copy from still intact collective works because the articles, selections and pages they need for any new assemblage have already been supplied to them — and stored by them — as discrete "documents." BA ¶¶ 9-20, J.A. 72a-81a. Indeed, they have not only already been supplied with discrete documents, but the databases have already logged each document into inventory, given it a unique retrieval number, and electronically tagged it with "keywords" and "term topic identifiers" so that it can be individually retrieved. BA ¶¶ 20-27, J.A. 81a-83a.

Moreover, once in the system, an individual article continues to be reproduced every time NEXIS creates a new generation of its database, BA ¶ 27, J.A. 83a, and every time UMI presses new or additional discs containing the article. It follows that before an end-user ever shows up and requests a particular article, the database producer has already copied it innumerable times (and in the case of UMI, distributed it), as well as taken concrete steps to authorize others to retrieve, display, copy and distribute the work.

Although there are clearly differences between the three databases at issue in this case, those differences are not material. Thus, it doesn't matter that the NYTO database carries articles from different issues and editions of *one* publication, while NEXIS and the GPO databases carry articles from different publications. Similarly, it doesn't matter that NEXIS and the NYTO databases make articles available in a text-only format, while the GPO database makes articles available in a page-view format. The salient feature of each of these databases — and the feature that is material for purposes of § 201(c) — is that they contain fixed copies of individual articles or component parts, but not collective works as a whole.

A database that contained entire issues of periodicals instead of individual articles would not violate a § 201(c) privilege that is properly exercisable in all media. That is the type of database that General Starr has taken pains to describe.[21] There is no such database in *this* litigation.

The "New Anthology Model": When the database producers take the article-files they receive from the print publishers and incorporate them into their databases, they are making articles that at some point in the past were part of particular editions of a newspaper "part of" new compilations or anthologies: the petitioners' databases. *See A Report on Legal Protection for Databases, A Report Of The Register of Copyrights*, U.S. Copyright Office, August 1997, LVI 427-431 (databases are compilations); *Copyright Office Circular 65*, Copyright Registration for Automated Databases (databases

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[21] While the National Geographic Society may well believe that, in 1997, it created a database that is consistent with the § 201(c) privilege, there is concrete evidence that it just as strongly believed, prior to that time, that UMI's CD-ROMs were *not* copyright-compliant. J.A. 336a. Moreover, there is evidence that other publishers — including UMI itself — joined it in that belief. J.A. 334a-335a.

Two of the publisher petitioners in this case appear to recognize infringing behavior when they see it in others. *See* "Whither Napster?: The music business must find a way to charge for Internet swaps so creators can benefit," Editorial in *Newsday*, A 30 (Feb. 14, 2001); "A Win for Intellectual Property," Editorial in *The New York Times*, A 30 (Feb. 14, 2001).

are compilations). *See also* William S. Strong, *Database Protection After Feist v. Rural Telephone Co.*, 41 Journal of the Copyright Society 34 (1994) (databases are compilations); Marybeth Peters, *The Copyright Office and Form C Requirements of Registration of Claims to Copyright*, 17 U. of Dayton L. Rev. 737 (1992) (databases are compilations); John F. Hayden, *Copyright Protection for Computer Databases After Feist*, Harvard J. Law & Tech. 215 (1991).

Since these databases do not constitute editions of *Newsday* or *The New York Times* — but rather a "new anthology" or compilation — the database producers have clearly violated respondents' copyrights by incorporating respondents' articles into them. *See* H.R.Rep. No. 1476 at 122-23, J.A. 706a (where it is noted that section 201(c) was not intended to authorize publishers to include a contribution in "a new anthology or an entirely different magazine or other collective work").[22] Moreover, by providing the article-files containing respondents' articles to the database producers for such inclusion, the print publishers have made themselves vicariously and contributorily liable for the database petitioners' infringements.

B. The Case Law Is In Complete Accord

At page 7 of their petition for certiorari, petitioners characterized the Second Circuit's Opinion in this case as being "remarkable for its fundamental inconsistency with governing precedent of this Court and decisions of other circuits" and "for its inclusion [in the Opinion] of only one citation to a

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[22] Respondents demonstrated at the CD-ROM demonstration that all of the articles in one of UMI's discs are contained in one file, known as the "lib.ful" file. (D 40, 48). Although there are no human-readable markers that would enable anyone looking at the organization of the disc to know what articles were originally associated with what issues, the articles can be *re*organized on an "issue-by-issue basis" by an end-user, using the date-and-periodical search, if the "user wishes to access the information that way." KL 7; D 41. Each article is a separately retrievable unit.

A set of the discs that were used at the CD-ROM demonstration were marked as plaintiffs' exhibits and deposited with the District Court. They appear as item 52 in the District Court record.

copyright law decision." Cert.Pet. 7. Petitioners' charge is remarkable for its lack of foundation. If petitioners want to find case law that supports the Second Circuit's decision, they don't have to go outside the four corners of their own petition to do so. They will find it in the cases they cited on pages 23 and 24 of their petition. Those cases can be divided into two series.

The first series of cases stands for the proposition that a person engages in copyright infringement if he copies items into a computer without authorization — or copies items from one computer, component, disc or drive of a computer or one type of memory into another. *See DSC Communications Corp. v. Pulse Communications*, 170 F.3d 1354 (Fed.Cir. 1999); *Stenograph LLC v. Bossard Assocs.*, 144 F.3d 96, 100 (D.C. Cir. 1998); *Urantia Found. v. Maaherra*, 114 F.3d 955 (9th Cir. 1997); *Triad Sys. Corp. v. Southeastern Express Co.*, 64 F.3d 1330, 1333 & n.4 (9th Cir. 1995); *MAI Sys. Corp. v. Peak Comp.*, 991 F.2d 511, 519 (9th Cir. 1993); *Sega Enterprises v. Accolade*, No. 92-15655 1993, U.S.App. LEXIS 78, at * 18 (9th Cir. Jan. 6, 1993); *Atari Games Corp. v. Nintendo*, 975 F.2d 832, 842 (9th Cir. 1992).

The second series of cases stands for the proposition that the copier does not have a defense to such infringement based on the conduct of a third party. In other words, the fact that a third party might make fair use of the material that has been unlawfully reproduced on a drive or a disc or use it in a non-infringing way does not give *the copier* a defense. *See Princeton Univ. Press. Michigan Document Servs.*, Inc., 99 F.3d 1381, 1389 (6th Cir. 1999) (en banc); *Los Angeles News Serv. v. Tullo*, 973 F.2d 791 (9th Cir. 1992).

These principles are as applicable to companies that produce databases as they are to computer programmers and copy-shops and apply irrespective of whether the material that has been copied consists of a software program or newspaper and magazine articles.

This being so, there is no question but that, by copying the article-files they receive from the magazines and newspapers

into their servers, drives and discs, the database petitioners violated respondents' copyrights. There is similarly no question but that the print publishers contributed to and are vicariously liable for the database petitioners' infringements.

C. *Feist* And The Majority And Dissenting Opinions In *Abend* Are In Accord.

Feist Publications v. Rural Telephone: Even if there were authority to the contrary, which there is not, this Court's decision in *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, 499 U.S. 340 (1991), would require affirmance of the judgment in respondents' favor. Let's examine why.

Assume for the moment that we have an issue of a newspaper that consists, in part, of freelance contributions and, in part, of staff-written articles: $F^1 + F^2 + F^3 + S^1 + S^2 + S^3$. As published, the newspaper contains graphics, photographs, comics, a cross-word puzzle, and a distinct format. The publisher of the newspaper enters into an agreement with Mead under which it licenses the articles from its newspaper for inclusion in NEXIS' database. Pursuant to this agreement, every day at a particular time it sends Mead article-files for processing and incorporation into the database. All other elements of the collective work are discarded or "excluded." Each article is added to the database in a separate electronic envelope and made separately and individually retrievable.

What do we have? Do we have, as petitioners contend, an "electronic copy" of the print publisher's newspaper to which its collective work copyright extends? Or, do we simply have "copies" of individual preexisting articles, some of whose copyrights are owned by their freelance authors and others of which are owned by a publisher-employer?

Under *Feist*, this Court recognized that "[t]he two fundamental criteria of copyright protection [are] originality and fixation in tangible form." 499 U.S. at 355, quoting from H.R.Rep. No. 94-1476, p. 51, J.A. 692a, S.Rep. No. 94-473, p. 50, LVI 242. For a work to be original, it "must be original to the author." *Id.* at 345. For a work to be "fixed," it must be embodied in a material object in a "sufficiently permanent or

stable" form "to permit it to be perceived, reproduced, or otherwise communicated . . .". 17 U.S.C. § 101.

Neither of these criteria allows the author of the collective work to claim that its copyright extends to the materials in any database at issue here. First, because in the database, the only works that are in a sufficiently permanent or stable form to be perceived are the individual articles, and not the collective work proper. *See Matthew Bender & Co., Inc. v. West Publishing Co.*, 158 F.3d 693, 702-703 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999). Second, because the articles with whose provenance we are concerned clearly owe their origin to the freelance writers as opposed to the author of the collective work.

In sum, there is simply nothing about or in the embodiment of the freelance articles fixed in the database that "display[s] the stamp of the [collective work] author's originality." 499 U.S. at 350 (material in brackets added).

Stewart v. Abend: The question in *Abend* was whether the author of a derivative work could continue to exhibit, copy, and distribute its work even though it no longer had a valid license in the work on which it was based. The majority said "no;" the dissent said "yes." In the majority's view, the copyrights in the two works were separate and distinct and, "[s]o long as the pre-existing work remains out of the public domain, its use is infringing if one who employs the work does not have a valid license or assignment for use of the pre-existing work." 495 U.S. at 223. The dissent believed that, under the 1909 Act, the author of the pre-existing work had the power to "sell the right to make a derivative work that upon creation and copyright would be completely independent of the original work." 495 U.S. at 244.

In passing, the dissent also noted its concern that the author of a derivative work might be induced to spend considerable time, energy, and effort in creating a derivative work that it could not then use. 495 U.S. at 255 n. 22. That concern is not present here. Respondents acknowledge that petitioners *can reproduce and distribute their entire collective works, inclu-*

sive of contributions. That is precisely what § 201(c) of the Act permits them to do. What they cannot do is reproduce and distribute contributions other than as part of a fixed collective work.

Since it is the latter that petitioners really want, however, what they are seeking is something far more radical than the petitioners in *Abend* or the Court in *Rohauer* v. *Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977), ever envisioned. They are not claiming that, by withholding his permission, the author of an incorporated contribution is preventing them from reproducing and distributing their *collective* works. They are claiming that their copyright in the collective work has somehow vested them with limited exclusive rights in the underlying contributions. They argue that they can exercise those rights in a *particular* contribution, so long as they simultaneously exercise similar rights in the other articles that had once appeared together with it in an issue of a newspaper.

While petitioners might conceivably have had an argument under the 1909 Act, the same absolutely cannot be said with respect to the current one. As the dissent in *Abend* duly noted, 495 U.S. at 243 n. 5, there is a critical respect in which the 1909 and 1976 Acts differ. The language of sections 3 and 7 of the 1909 Act extended composite and derivative work copyrights to "all the copyrightable component[s]" of such works, including "all matter therein in which copyright is already subsisting." 1909 Act, 17 U.S.C. § 3 (1976 ed.). Section 103 (b) of the 1976 Act, on the other hand, provides that "[t]he copyright in a compilation or derivative work *extends only to the material contributed by the author of such work, as distinguished from the preexisting material* employed in the work . . .". 17 U.S.C. § 103(b) (emphasis added).[23]

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[23] Petitioners omit this phrase entirely when they quote § 103(b) in their brief. Pet.Bf. 7. Indeed, they omit the entire first sentence of the provision. *Id.* Having thus truncated the provision, they then claim that they have been afforded a copyright under § 103(b) that entitles them to reproduce and distribute the whole of their collective works including any incorporated individual contributions. Pet.Bf. 15. If that were true — i.e.,

IV. Petitioners' Myriad Defenses:

Petitioners' defenses may be divided into six categories.

A. The "We're Clean, It Is The End-Users Who Are Guilty" Defense

Petitioners distort the decision below to suggest that it depends upon vicarious liability for acts by end-users. It does not. Respondents charged petitioners with direct infringement for their own delivery, transmission and replication of freelance contributions other than pursuant to the § 201(c) privilege. Third-party conduct is therefore irrelevant. *See Sony, supra* at 446; *Princeton Univ. Press, supra* at 1389 (en banc); *Los Angeles News Serv. v. Tullo*, 973 F.2d 791 (9th Cir. 1992). *Accord* Pet.Bf. 19; Publishers' Amicus 16-17; Database Producers' Amicus 22.

Petitioners also suggest, at least subliminally, that acts by historians and researchers that might constitute "fair use" should immunize the companies that profit from the infringement. *See* Burns Amicus. End-users can no more save petitioners from liability than they can be made to take the blame. *See Princeton Univ. Press, supra* (holding that copy-shop could not avail itself of fair use defense belonging to end user).[24]

B. "The Medium Made Me Do It" Defense

Petitioners have claimed for a long time now, in terms that were entirely conclusory, that whatever they have done in placing materials in the databases, they were required to do by the medium. J.A. 375a ¶ 12, J.A. 379a ¶ 6. From this assertion (without competent evidentiary support), they argue that

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if § 103(b) and § 106 of the Act themselves afforded collective work authors that prerogative — § 201(c) would be surplusage.

Far from being surplusage, the privilege provided in § 201(c) is actually essential to newspapers and magazines. Without it, they would only be able to print such materials as they either owned (i.e., were encompassed by their limited copyright) or they had been licensed to use. What the privilege affords them is a mechanical license to print and distribute the whole.

[24] It is really the petitioners, not respondents, who are relying on third-party conduct.

if they are entitled to utilize the electronic medium at all, then they must be allowed to do exactly what they have done. *See, e.g.*, Cert.Reply 10.

There are three fallacies in this argument. First, the principle of medium-neutrality, upon which this argument is based, does not mean what petitioners say its means. It means that a work is protected in the medium in which the author first creates the work and in which he thereafter reproduces it or authorizes it to be reproduced. It does not mean that someone who gets a license to use the work gets a license to exploit it in all media. In other words, the principle protects and was designed to protect the copyrightholder and his creations and not to afford rights to "licensees."

It is significant therefore that, in this case, the print publishers are necessarily *in the position* of "licensees" — as opposed to copyrightholders — with respect to the freelance contributions. 17 U.S.C. § 103(b) (the copyright in a compilation extends only to the materials contributed by its author and not to preexisting materials). And, that the very limited license they have been given by § 201(c) does not, on its face, permit them to use electronic information storage and retrieval systems. *See* Points I(C) and II(C), *ante*.

In any event, even if petitioners were correct that they are entitled to use any and all media, the principle of medium-neutrality cannot conceivably be construed to mean that they are entitled to use any and all "formats." For instance, it could not rationally be construed to mean that they are entitled to use a format that involves the exploitation of individual articles (e.g., printed broadsides). As petitioners themselves acknowledge, the purpose of § 201(c) was to prevent such exploitation. Cert.Pet. 6.

Third, there is no question but that *technologically* petitioners could, if they chose, avail themselves of the electronic medium to publish intact copies of their publications. This fact is established not only by the Williams Affidavit, J.A.

122a-151a, but also by petitioners' own evidence in the case[25] and the averments of their amici. *See, e.g., AIPLA Amicus* 13 (describing the scenario in which publishers "electronically scan[ ] the newspaper in which the contribution appears in its entirety); *NGS Amicus* 8 and 9 n. 2 (describing image CD-ROMs in which "the individual contribution remains in the 'particular collective work' in which it originally appeared" and "every page of every issue remains precisely as it was in the original paperbound version . . ."); and *Print Publishers' Amicus* 13 (describing "visual formats that, like the photographic copies presently used in microfilm, replicate the column format, typeface, and other visual incidents of the original publication"). Petitioners chose not to create databases with intact "issues," not because the medium wouldn't let them, but because they felt that the market wouldn't.

C. The "Inchoate Copy" Defense:

At pages 22-23 of its brief and in notes 15 and 17, petitioners suggest that even if what they have placed into the databases are individual articles as opposed to collective works, the Court is nonetheless required to conclude as a matter of law that the databases contain "copies" of the collective works from which the articles derived. They base this argument on two alleged facts: (1) the fact that, although dispersed throughout the database, allegedly all of the "editorial" components of an issue are present somewhere in it, and (2) the fact that, if he chooses, an end-user can conduct a date-and-periodical search that will yield all of the articles that had once appeared together in a collective work.

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[25] That evidence establishes that The New York Times Company routinely delivered copies of two sections of its Sunday newspaper in their undeconstructed form to UMI so that UMI could subject them to digital scanning. BA ¶ 53, J.A. 95a. Obviously, *The New York Times* could have chosen to deliver the *entire* paper.

By the same token, UMI could have chosen to create a database that contained continuous electronic scans or intact images of entire periodicals. *See, generally,* Williams Aff., J.A. 122a-151a. Instead, it chose to create the GPO database and make "article copies" available. *See* footnote 1, *ante*.

Contrary to petitioners' contention, neither of these alleged facts can be made the basis for concluding that the database contains a "copy" of the collective work. Recognizing the subsistence of copyright protection in the first instance would extend copyright protection to the "idea" of a collective work, as opposed to its "expression," which is clearly improper. *See generally Goldstein v. California*, 412 U.S. 546, 561 (1973) ("[T]he word 'writings' . . . include[s] any physical rendering of the fruits of creative, intellectual or aesthetic labor"); *Mazer v. Stein*, 347 U.S. 201, 214 (1954); *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884). Recognizing the subsistence of copyright protection in the second instance would impermissibly extend copyright protection to a "process" or "procedure" in violation of 17 U.S.C. § 102(b).

In any event, as the Second Circuit has made irrefutably clear in *Matthew Bender & Co. v. West Publishing Co.*, 158 F.2d 693, 702-703, 705-06 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999), a collective work is not "fixed" in a database if it can only be perceived with the aid of a machine or device "*after* another person uses the machine to re-arrange the material into the copyrightholder's arrangement." *Id.* at 702 (emphasis added). *See* footnote 2, *ante*. Obviously, without a fixed embodiment of the collective work, there can be no "copy." *Id.* at 702-03. 17 U.S.C. § 101 (definition of "copies").

D. The "Enough Has Been Preserved" Defense:

At pages 40-44 of their brief, petitioners suggest that even if the databases at issue do not *contain* "copies" of the print publishers' collective works (in either an original or revised form), each of them nonetheless *constitutes* a "revision" of these collective works as a matter of law.[26] They make this claim on the ground that, allegedly, the databases "sufficiently preserve" the "selection" and "arrangement" of the print publishers' newspapers. Contrary to petitioners' suggestion, however, neither of the lower courts found that the "arrangement" of the print publishers' collective works had been preserved.

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[26] As noted previously, petitioners repudiated this theory below. *See* footnote 5, *ante*.

They both found the opposite. (4a, 15a, 29a). And, while the District Court *did* agree, as a matter of law, that "selection" had been preserved, its finding was very specific. It based its conclusion on the following two facts: (1) that — again — although dispersed, all of the editorial elements of an issue are allegedly present somewhere in the database (70a); and (2) the further fact that when an individual article is displayed, it bears a legend or header that identifies the particular day and particular periodical in which the article first appeared. (71a).

Neither of these facts affords a basis for concluding as a matter of law that any copyrightable aspects of a collective work have been preserved, least of all the copyrightable aspect appropriately identified as an issue's "selection." The header or legend merely represents a statement of historical fact. As such, it is unquestionably non-copyrightable. *See, e.g., Feist*, 499 U.S. 340, 348 (1991); *Harper & Row, Pubs. v. Nation Enters.*, 471 U.S. 539, 544, 547, 556 (1985). And, even if absolutely all of the editorial elements of a periodical are present in the database, they cannot be said to "display the stamp of the [collective work] author's originality" as long as they are dispersed, *Feist*, 499 U.S. at 350 (material in brackets added). To paraphrase *Matthew Bender v. West Publishing* again, if an issue's "selection" can only be perceived by a machine after a person other than the collective work author has used it to gather together the articles making up the "selection," then the "selection" is not fixed, embedded or embodied in the underlying server or disc. *See Matthew Bender*, 158 F.3d at 702, 704-06. *See also EPM Communications, Inc. v. Notara, Inc.*, 2000 U.S.Dist. LEXIS 11533 (S.D.N.Y. August 11, 2000). And, if it is not fixed, embedded or embodied in the underlying server or disc, it is difficult to see how it can have been "sufficiently preserved."

Petitioners' error consists in their having confused the uncopyrightable process of selecting articles and the fact that individual articles have been selected with the "expression"

that results from the publication of those articles together as an issue. There is a clear distinction between the two. Only the latter is copyrightable. *See generally International News Service v. Associated Press*, 248 U.S. 215 (1918). Thus, the copyright in a compilation will not extend to editorial decisions — whether they are to select a *particular* article for publication at an unspecified time or a *group* of articles for publication together as an issue. Both of these "selection" decisions involve industrious effort, but not expression. *Id.* It is only when the articles that have been selected are in fact *published together as an identifiable group* that the process of selection bears copyrightable fruit that is original to the collective work author.

To hold otherwise and predicate a finding of copyrightability on one or another of the two types of pre-publication activities referred to above, instead of on the expression that ultimately results from them, would be to reward what *Feist* has said can no longer be rewarded under the copyright laws: "sweat of the brow." The fact that, here, we may be dealing with "sweat of the high-brow" cannot change that result.

E. The "Simultaneous" or "Aggregate Uses" Defense

In the final analysis, petitioners' arguments reduce to the following proposition: they can properly make use of an individual article under § 201(c) as long as they simultaneously make use of all (or most)[27] of the other individual articles that had once appeared together with it in an issue. *See, e.g.*, J.A. 471a at ¶¶ 7, 9, 473a at ¶ 15, 475a at ¶ 22. The Second Circuit correctly rejected this argument:

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[27] Petitioners' definition of the word "all" or phrase "entire editorial contents" shifts from publisher to publisher and database to database. Thus, the phrase "entire editorial contents" means, in the case of *Newsday*, the editorial contents *except for* wireservice, freelance and certain syndicated materials, Exh. 40, M003719, ¶ 11, while in the case of Time, Inc., it means, the editorial contents *minus* "such portions of the materials which Licensor does not have the right to include" and "materials from special issues," T000019, Sched. A, and in the case of *The New York Times* and GPO, the "entire editorial contents" of the Sunday paper means the contents of only two sections of it — far less than the requisite one-half.

> Under Publishers' theory of Section 201(c), the question of whether an electronic database infringes upon an individual author's article would essentially turn upon whether the rest of the articles from the particular edition in which the individual article was published could also be retrieved individually. However, Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS. (12a-13a).

Aside from violating the very principles of media-neutrality that petitioners have purported to champion, petitioners' reading of § 201(c) would enable a collective work author to extend its copyright to preexisting works in clear violation of § 103(b).

In addition, their reading is irreconcilable with the plain language of § 201(c). Section 201(c) does not provide for a privilege of using an article "at the same time as" other individual articles, but only for using an article "*as part of*" a collective work.[28]

F. And, Finally, The In Terrorem Defense:

Petitioners and their chorus of amici seek to rewrite the statute by threatening that upholding the decision below will "eviscerate" a database judges and attorneys tend to rely upon. *See generally* Publishers' Amicus 2-4, Database Producers' Amicus 23-27, Burns Amicus 4-6. Besides the fact that such an argument demeans the Court, there are at least five answers to petitioners' "sky is falling" argument. The Court itself has given three of them in other copyright cases — two in *Sony*

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[28] Petitioners concede that the activities of the research and photocopying service in *Ryan v. Carl Corp.*, 23 F.Supp. 2d 1146 (N.D.Cal. 1998), were infringing. Pet.Bf. 33 n. 22. Assuming the invalidity of the "aggregate uses" defense, petitioners' activities with respect to the GPO CD-ROMs are indistinguishable from those activities.

alone. There, Justice Stevens, writing for the majority, appropriately rejected arguments aimed at persuading the Court that, socially, a certain outcome was required. The Court stated:

> The stated desires of amici concerning the outcome of this or any litigation are no substitute for a class action, are not evidence in the case, and do not influence our decision; we examine an amicus curiae brief solely for whatever aid it provides in analyzing the legal questions before us.

Sony, supra, 464 U.S. at 434 n. 16. The dissent, sounding a similar theme, added that focusing on the question of whether a particular result would or would not increase the store of creative works available to the public puts the cart before the horse. It "simply confuses the question of liability with the difficulty of fashioning an appropriate remedy." *Sony, supra*, 464 U.S. at 494. Similarly, in *Abend*, 495 U.S. 207, 228 (1990), Justice O'Connor wrote for the Court that comparable fears flaunted by defendants there were "better addressed by Congress than the courts."

In any event, the threat that petitioners pretend would be posed in this case by an affirmance has been grossly exaggerated. *See* Garson Opp. 10-11. In the final analysis, there is not one iota of evidence that the panic that petitioners have labored to create is warranted — or, indeed, anything other than a dramatic device. The logistical problems they say exist are clearly soluble compared to other, far more intractable ones, solved with ingenuity and good faith.

V. The Judgment Of The Second Circuit Can Be Affirmed On Two Additional Grounds.

The judgment of the Court of Appeals in this case can also be affirmed on two grounds the court did not reach: (1) that since the privilege could not be transferred to the database petitioners, their actions were necessarily infringing, *see* Points I(A) and II(A), *ante*, and (2) that, notwithstanding the fact that, in general, the Act is medium-neutral, the very limited "license" publishers have been afforded in § 201(c) is not. By

placing respondents' articles into electronic databases, therefore, the database producers infringed respondents' rights.

The publisher-petitioners, in either event, are guilty of contributory and vicarious infringement.

VI. There Is No Conflict Between The Second Circuit's Decision And The Seminal Decisions Of This Court. Those Cases Are Entirely Consistent With, Indeed, Supportive Of, The Second Circuit Decision.

A. The Conflict With *Feist* Has Proved To Be Illusory.

Feist fully supports — if indeed it does not require — the decision below. *See* discussions, *ante*, at pp. 11-12, 38-39.

B. The Conflict With *Sony* Has Proved To Be Illusory.

Before the lower Court, petitioners complained that respondents had not adduced any evidence of infringement by end users and insisted that, under *Sony*, they were required to do so. OA 66-67. Here, they complain that because the Second Circuit considered what could be retrieved from a database by an end-user its decision is "improperly end-user driven" and thus in conflict with *Sony*. Pet.Bf. 47. Both of the petitioners' criticisms are unwarranted.

As those who are at all technologically aware know, computer servers, drives and discs are "black boxes." They are actually called this because, like the "black boxes" in an airplane cockpit, the way one tells what is in a black box is by analyzing what comes out of it.

So, too, with discs and drives. There are essentially two basic ways to tell what has been fixed in such material objects and what is resident in them. One can analyze what was put into them or what comes out — that is, what can be retrieved. Respondents have simply looked at the issue from both perspectives.

Obviously, there is a difference between analyzing what petitioners have made available for retrieval from the data-

bases in this case and what end users have actually or historically retrieved. The latter was not done in this case — either by respondents or the Courts below — because it would have been irrelevant. As the District Court clearly recognized, this case is not like *Sony*. (33a n. 3). Petitioners have not been charged with manufacturing and marketing a staple article of commerce (such as a computer), which was used by *others* to infringe, but of themselves reproducing, distributing and offering the infringing works. The principles that *Sony* articulated, therefore — while of tremendous importance in other contexts — are neither applicable to nor in any way in conflict with this case.

CONCLUSION

For the reasons stated herein and in the annexed letter of the Register of Copyrights, respondents respectfully request that the Court affirm the judgment entered by the Second Circuit.

Dated: February 20, 2001
New York, New York

Respectfully submitted,

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APPENDIX I

A VIEWPOINT ON THE SUPREME COURT CASE *NY TIMES V. TASINI* – HON. JAMES P. McGOVERN

(Extensions of Remarks – February 14, 2001)

HON. JAMES P. McGOVERN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 14, 2001

Mr. McGOVERN. Mr. Speaker, I submit for the RECORD this letter from Marybeth Peters, the Register of Copyrights at the U.S. Office of Copyrights, establishing her position on the U.S. Supreme Court Case, *NY Times versus Tasini.*

REGISTER OF COPYRIGHTS,
LIBRARY OF CONGRESS,
Washington, DC. February 14, 2001

Congressman JAMES P. MCGOVERN,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN MCGOVERN: I am responding to your letter requesting my views on *New York Times v. Tasini.* As you know, the Copyright Office was instrumental in the 1976 revision of the copyright law that created the publishers' privilege that is at the heart of the case. I believe that the Supreme Court should affirm the decision of the court of appeals.

In *Tasini*, the court of appeals ruled that newspaper and magazine publishers who publish articles written by freelance authors do not automatically have the right subsequently to include those articles in electronic databases. The publishers, arguing that this ruling will harm the public interest by requiring the withdrawal of such articles from these databases and irreplaceably destroying a portion of our national historic record, successfully petitioned the Supreme Court for a writ of certiorari.

The freelance authors assert that they have a legal right to be paid for their work. I agree that copyright law requires the

publishers to secure the authors' permission and compensate them for commercially exploiting their works beyond the scope of section 201(c) of the Copyright Act. And I reject the publishers' protests that recognizing the authors' rights would mean that publishers would have to remove the affected articles from their databases. The issue in *Tasini* should not be whether the publishers should be enjoined from maintaining their databases of articles intact, but whether authors are entitled to compensation for downstream uses of their works.

The controlling law in this case is 17 U.S.C. § 201(c), which governs the relationship between freelance authors and publishers of collective works such as newspapers and magazines. Section 201(c) is a default provision that establishes rights when there is no contract setting out different terms. The pertinent language of § 201(c) states that a publisher acquires "only" a limited presumptive privilege to reproduce and distribute an author's contribution in "that particular collective work, any revision of that collective work, and any later collective work in the same series."

The Supreme Court's interpretation of section 201(c) will have important consequences for authors in the new digital networked environment. For over 20 years, the Copyright Office worked with Congress to undertake a major revision of copyright law, resulting in enactment of the 1976 Copyright Act. That Act included the current language of §201(c), which was finalized in 1965 of interests.

Although, in the words of Barbara Ringer, former Register and a chief architect of the 1976 Act, the Act represented "a break with the two-hundred-year-old tradition that has identified copyright more closely with the publisher than with the author" and focused more on safeguarding the rights of authors, freelance authors have experienced significant economic loss since its enactment. This is due not only to their unequal bargaining power, but also to the digital revolution that has given publishers opportunities to exploit authors' works in ways barely foreseen in 1976. At one time these authors, who received a flat payment and no royalties or other benefits from the publisher, enjoyed a considerable secondary market. After

giving an article to a publisher for use in a particular collective work, an author could sell the same article to a regional publication, another newspaper, or a syndicate. Section 201(c) was intended to limit a publisher's exploitation of freelance authors' works to ensure that authors retained control over subsequent commercial exploitation of their works.

In fact, at the time §201 came into effect, a respected attorney for a major publisher observed that with the passage of §201(c), authors "are much more able to control publishers' use of their work" and that the publishers' rights under § 201 (c) are "very limited." Indeed, he concluded that "the right to include the contribution in any revision would appear to be of little value to the publisher." Kurt Steele, "Special Report, Ownership of Contributions to Collective Works under the New Copyright Law," Legal Briefs for Editors, Publishers, and Writers (McGraw-Hill, July 1978).

In contrast, the interpretation of §201(c) advanced by publishers in *Tasini* would give them the right to exploit an article on a global scale immediately following its initial publication, and to continue to exploit it indefinitely. Such a result is beyond the scope of the statutory language and was never intended because, in a digital networked environment, it interferes with authors' ability to exploit secondary markets. Acceptance of this interpretation would lead to a significant risk that authors will not be fairly compensated as envisioned by the compromises reached in the 1976 Act. The result would be an unintended windfall for publishers of collective works.

THE PUBLIC DISPLAY RIGHT

Section 106 of the Copyright Act, which enumerates the exclusive rights of copyright owners, includes an exclusive right to display their works publicly. Among the other exclusive rights are the rights of reproduction and distribution. The limited privilege in § 201(c) does not authorize publishers to display authors' contributions publicly, either in their original collective works or in any subsequent permitted versions. It refers only to "the privilege of reproducing and distributing the contribution." Thus, the plain language of the statute does

not permit an interpretation that would permit a publisher to display or authorize the display of the contribution to the public.

The primary claim in *Tasini* involves the NEXIS database, an online database which gives subscribers access to articles from a vast number of periodicals. That access is obtained by displaying the articles over a computer network to subscribers who view them on computer monitors. NEXIS indisputably involves the public display of the authors' works. The other databases involved in the case, which are distributed on CD-ROMs, also (but not always) involve the public display of the works. Because the industry appears to be moving in the direction of a networked environment, CD-ROM distribution is likely to become a less significant means of disseminating information.

The Copyright Act defines "display" of a work as showing a copy of a work either directly or by means of "any other device or process." The databases involved in *Tasini* clearly involve the display of the authors' works, which are shown to subscribers by means of devices (computers and monitors).

To display a work "publicly" is to display "to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times." The NEXIS database permits individual users either to view the authors' works in different places at different times or simultaneously.

This conclusion is supported by the legislative history. The House Judiciary Committee Report at the time §203 was finalized referred to "sounds or images stored in an information system and capable of being performed or displayed at the initiative of individual members of the public" as being the type of "public" transmission Congress had in mind.

When Congress established the new public display right in the 1976 Act, it was aware that the display of works over information networks could displace traditional means of reproduction and delivery of copies. The 1965 Supplementary

Report of the Register of Copyrights, a key part of the legislative history of the 1976 Act, reported on "the enormous potential importance of showing, rather than distributing copies as a means of disseminating an author's work" and "the implications of information storage and retrieval devices; when linked together by communications satellites or other means," they "could eventually provide libraries and individuals throughout the world with access to a single copy of a work by transmission of electronic images." It concluded that in certain areas at least, "'exhibition' may take over from 'reproduction' of 'copies' as the means of presenting authors' works to the public." The Report also stated that "in the future, textual or notated works (books, articles, the text of the dialogue and stage directions of a play or pantomime, the notated score of a musical or choreographic composition etc.) may well be given wide public dissemination by exhibition on mass communications devices."

When Congress followed the Register's advice and created a new display right, it specifically considered and rejected a proposal by publishers to merge the display right with the reproduction right, notwithstanding its recognition that "in the future electronic images may take the place of printed copies in some situations." H.R. Rep. No. 89-2237, at 55 (1966).

Thus, §201(c) cannot be read as permitting publishers to make or authorize the making of public displays of contributions to collective works. Section 201(c) cannot be read as authorizing the conduct at the heart of *Tasini*.

The publishers in *Tasini* assert that because the copyright law is "media-neutral," the § 201(c) privilege necessarily requires that they be permitted to disseminate the authors' articles in an electronic environment. This focus on the "media-neutrality" of the Act is misplaced. Although the Act is in many respects media-neutral, e.g., in its definition of "copies" in terms of "any method now known or later developed" and in §102's provision that copyright protection subsists in works of authorship fixed in "any tangible medium of expression," the fact remains that the Act enumerates several separate rights of copyright owners, and the public display right is indepen-

dent of the reproduction and distribution rights. The media-neutral aspects of the Act do not somehow merge the separate exclusive rights of the author.

REVISIONS OF COLLECTIVE WORKS

Although §201(c) provides that publishers may reproduce and distribute a contribution to a collective work in three particular contexts, the publishers claim only that their databases are revisions of the original collective works.

Although "revision" is not defined in Title 17, both common sense and the dictionary tell us that a database such as NEXIS, which contains every article published in a multitude of periodicals over a long period of time, is not a revision of today's edition of The New York Times or last week's Sports Illustrated. A "revision" is "a revised version" and to "revise" is "to make a new, amended, improved, or up-to-date version of" a work. Although NEXIS may contain all of the articles from today's New York Times, they are merged into a vast database of unrelated individual articles. What makes today's edition of a newspaper or magazine or any other collective work a "work" under the copyright law — its selection, coordination and arrangement — is destroyed when its contents are disassembled and then merged into a database so gigantic that the original collective work is unrecognizable. As the court of appeals concluded, the resulting database is, at best, a "new anthology," and it was Congress's intent to exclude new anthologies from the scope of the §201(c) privilege. It is far more than a new, amended, improved or up-to-date version of the original collective work.

The legislative history of §201(c) supports this conclusion. It offers, as examples of a revision of a collective work, an evening edition of a newspaper or a later edition of an encyclopedia. These examples retain elements that are consistent and recognizable from the original collective work so that a relationship between the original and the revision is apparent. Unlike NEXIS, they are recognizable as revisions of the originals. But as the Second Circuit noted, all that is left of

the original collective works in the databases involved in *Tasini* are the authors' contributions.

It is clear that the databases involved in *Tasini* constitute, in the words of the legislative history, "new," "entirely different" or "other" works. No elements of arrangement or coordination of the pre-existing materials contained in the databases provide evidence of any similarity or relationship to the original collective works to indicate they are revisions. Additionally, the sheer volume of articles from a multitude of publishers of different collective works obliterates the relationship, or selection, of any particular group of articles that were once published together in any original collective work.

REMEDIES

Although the publishers and their supporters have alleged that significant losses in our national historic record will occur if the Second Circuit's opinion is affirmed, an injunction to remove these contributions from electronic databases is by no means a required remedy in *Tasini*. Recognizing that freelance contributions have been infringed does not necessarily require that electronic databases be dismantled. Certainly future additions to those databases should be authorized, and many publishers had already started obtaining authorization even before the decision in *Tasini*.

It would be more difficult to obtain permission retroactively for past infringements, but the lack of permission should not require issuance of an injunction requiring deletion of the authors' articles. I share the concern that such an injunction would have an adverse impact on scholarship and research. However, the Supreme Court, in *Campbell v. Acuff-Rose Music, Inc.*, and other courts have recognized in the past that sometimes a remedy other than injunctive relief is preferable in copyright cases to protect the public interest. Recognizing authors' rights would not require the district court to issue an injunction when the case is remanded to determine a remedy, and I would hope that the Supreme Court will state that the remedy should be limited to a monetary award that would compensate the authors for the publishers' past and continuing unauthorized

uses of their works. Ultimately, the *Tasini* case should be about how the authors should be compensated for the publishers' unauthorized use of their works, and not about whether the publishers must withdraw those works from their databases.

Sincerely,

Marybeth Peters,
Register of Copyrights

Congressman James P. McGovern
430 Cannon House Office Building
Washington, D.C. 20515

APPENDIX II

SELECTED PROVISIONS OF THE COPYRIGHT ACT OF 1976

17 U.S.C. § 103

§ 103. Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivatives works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

* * *

17 U.S.C. § 106

§ 106. Exclusive rights in copyrighted works

Subject to sections 107 through 121, the owner of a copyright under this title has the exclusive rights to do and to authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and

other audiovisual works, to perform the copyright work publicly;

(5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and

(6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.

* * *

17 U.S.C. § 201

§ 201. Ownership of copyright.

* * *

(c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

* * *

17 U.S.C. § 501

§ 501. Infringement of copyright.

(a) Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 121, or of the author as provided in section 106A(a), or who imports copies or phonorecords into the United States in violation of section 602, is an infringer of the copyright or right of the author, as the case may be. . . .

* * *

Definitional Sections:

17 U.S.C. § 101

§ 101. Definitions

Except as otherwise provided in this title, as used in this title, the following terms and their variant forms mean the following:

* * *

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

"Copyright owner", with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

* * *

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

* * *

"Literary works" are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.

* * *

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.

* * *

To perform or display a work "publicly" means —

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in

the same place or in separate places and at the same time or at different times.

* * *

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

* * * * *

MAR 16 2001 (22)

No. 00-201

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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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STATEMENT PURSUANT TO RULE 29.6

The corporate disclosure statement for each Petitioner is set forth at page ii of the Brief for Petitioners, and there are no amendments to those statements.

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SUMMARY OF THE ARGUMENT

Publishers have the right to reproduce and distribute electronic copies of their collective works under Section 201(c) of the Copyright Act. Petitioners' opening brief demonstrated why it makes no difference under the Act's media-neutral provisions that the revised collective works are fixed in electronic media – *i.e.*, on disks rather than paper copies. Relying on those provisions and the relevant legislative history, petitioners refuted the rationale underlying the Second Circuit's contrary holding. It is irrelevant that electronic copies in some instances do not retain *all* of the selection and arrangement of the paper editions and that users seek to retrieve individual articles. The former is precisely what makes the electronic copies "revisions," and the latter rests on a theory of contributory infringement affirmatively waived by respondents and foreclosed by *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 446 (1984). Publishers are privileged to create electronic copies, just as they may publish microfilm copies. Both are fixed in a different medium from print editions, contain multiple editions on a single reel or disk, and are used to identify and retrieve individual articles.

Respondents do not seriously defend the court of appeals' reasoning and focus instead on the manner in which electronic copies are fixed and may be retrieved by third parties. These newfound arguments, however, are equally erroneous, as this reply demonstrates in five parts. *First*, respondents' attempt to narrow the scope of Section 201(c) is flawed: The electronic versions of print periodicals are permitted by the broad "any revision" privilege because they substantially retain the editorial selection of the collective work. Indeed, respondents' position would overturn the compromise struck by Section 201(c) between the right of publishers to engage in the reproduction and distribution of their collective works in the aggregate in any medium and the right of freelance authors to exploit their individual contributions apart from the collective work. *Second*, respondents' claim that individual articles in the

electronic copies are published apart from the collective work misstates the record; the district court found precisely the contrary on the undisputed summary judgment record. *Third*, respondents' claim that when periodical copies are fixed electronically they constitute either a "new anthology" or an entirely different collective work, because individual files of other articles also may be fixed on the same disk or tape, conflicts with the Act's media-neutral provisions. If accepted, respondents' argument would make it impossible to continue to use computer storage in ways that have become familiar to countless researchers, publishers, libraries and others. *Fourth*, the remaining alternative arguments advanced only by the Garson respondents – that a publisher may not license reproduction and distribution of its collective work and that electronic publication by petitioners infringes upon freelance authors' "display rights" – are contradicted by the plain language of the Act. *Finally*, even if the right of publishers, in which freelancers have long acquiesced, to publish their works electronically were open to question, it would be for Congress to overturn this long-settled publishing practice, particularly given that the Second Circuit's judgment will result in wholesale deletions of freelance contributions, with correspondingly grave consequences for research.

ARGUMENT

I. The Electronic Copies At Issue In This Case Qualify As "Revisions" Under Section 201(c).

1. Section 201(c) grants publishers the right to include freelance contributions in "any revision" of their collective works. Respondents have no effective answer to precedents of this Court that emphasize the great breadth of the term "any." *See* Pet. Br. 21 (citing cases). They argue only that, depending on context, some limitations on that term may exist. *See* Garson Br. 21-25. Section 201(c), however, does not suggest any contextual limitation. The Second Circuit's "floor-to-ceiling" approach is entirely artificial, *see* Pet. Br. 25-27, and the Tasini respondents understandably do not defend it. They also appear to acknowledge that a proper Section 201(c) "revision" can be

an "amended, improved or updated" version, *see* Tasini Br. 25, terms that aptly describe the collective works as transmitted by the publishers to NEXIS and fixed on CD-ROMs.

The Tasini respondents assert, without further explanation, that a revision must be of the same "type" as the original, contain contributions of the same "kind," and retain "the same 'selection, coordination, *or* arrangement.'" Tasini Br. 16, 26 (emphasis added).[1] That proposal, however, directly conflicts with the text of Section 201(c). If the revision must be the "same" in all these respects, it can hardly be called a "revision." The district court was correct to conclude instead that a revision must simply be a "recognizable version" of the original. *See* Cert. App. 61a, 73a.[2]

Significantly, respondents do not defend the Second Circuit's conclusion that the differences between the print and electronic versions in this case – particularly the failure to retain the print-only aspects of arrangement (such as placement above-the-fold) or selection (such as advertising and similar materials) – disqualify the electronic copies from being "revisions."[3] Those differences properly are characterized as creating a revised collective work but one that plainly is recognizable as an "amended" version of the original. This is particularly so given, as the district court concluded and respondents do not dispute, that the defining characteristic of a periodical is its editorial selection. *See* Cert. App. 70a, 73a;

1. Respondents' adoption of the disjunctive here is revealing: It underscores the irrelevance of the fact that the electronic version retains such features as pagination and column location only referentially rather than visually and might in that sense be said to have an "arrangement" distinct from that of the print version.

2. Petitioners argued and the district court found that NEXIS contains revisions of the subject periodicals; the NEXIS database is not itself a revision. *See* Cert. App. 73a; *accord* Tasini Br. 32.

3. The Second Circuit's view that the "revision" privilege encompasses only a later daily edition of a newspaper, Cert. App. 10a, would also deprive that privilege of any meaning for all other collective works, including magazines.

see also Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc., 499 U.S. 340, 357 (1991) (compilation copyright extends to "selection, coordination, *or* arrangement") (emphasis added). For that reason, even though a Braille edition or the national edition of a major metropolitan newspaper may reflect substantially different arrangements and even different selections of articles, they would be properly regarded as "revisions" of the original collective work.

Elements other than selection – such as arrangement or layout on the printed page – are less relevant because they reflect the particular print *medium* in which the collective work happened to be fixed. Here, that NEXIS fails to retain exact page layout, *see* Pet. Br. 4, reflects only the reality that ASCII text, the dominant system at the time NEXIS was created (and, not incidentally, at the time the 1976 Act was adopted), could not reproduce photographic images. Petitioners' view also is reinforced by the legislative history, which confirms that Congress anticipated that publishers would make far more substantial "revisions" than are at issue in this case.[4]

Nor is there any serious argument that the *GPO* product – which retains the selection, coordination, *and* arrangement of the collective work as it is fixed on paper – qualifies as (at the very least) a "revision." Indeed, as petitioners argued in their opening brief but respondents fail to address, *GPO* is properly privileged as "that particular collective work" for purposes of reproduction and distribution under Section 201(c). *See* Pet. Br. 20.

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4. *See* J.A. 615a (authors' representatives recognized that revision privilege "obviously" permitted publishers to "chang[e] the contributions, or their order, or includ[e] different contributions"); J.A. 591a (publishers could change as much as 50% of content); J.A. 664a, 706a (publishers could include contribution in subsequent edition 10 years later). *Cf. Mills Music, Inc. v. Snyder*, 469 U.S. 153, 156 (1985) (legislative history of Copyright Act is particularly instructive interpretative tool).

2. Adopting respondents' position also would overturn the compromise between the interests of publishers and those of freelance authors embodied in Section 201(c). *Cf. Stewart v. Abend*, 495 U.S. 207, 230 (1990) ("Absent an explicit statement of congressional intent . . . it is not our role to alter the delicate balance Congress has labored to achieve."); J.A. 631a (Statement of the Register of Copyrights) (Copyright Act is "neither an 'author's bill' nor a 'user's bill,' " but rather a series of "carefully worked-out compromises"). Although Congress sought to preserve certain "subsidiary rights" for freelancers, J.A. 574a (testimony of Harriet Pilpel), including the right to syndicate or otherwise exploit their articles on an individual basis, it did not intend Section 201(c) to interfere with publication of the collective work as an aggregate whole. *See generally* Pet. Br. 28-32. The electronic copies in this case do not interfere with those rights or with respondents' exploitation of their individual contributions in any other way. Indeed, respondents admitted in the district court that petitioners' electronic publication has not interfered at all with their ability to market their individual contributions. *See* J.A. 398a-401a, 413a-14a, 428a, 447a-49a; *see also id.* 401a, 414a (neither microfilm nor electronic distribution has had an economic impact on respondents).

Conversely, respondents' approach grants them veto power over electronic publication of entire collective works. It literally requires the permission of each and every freelance contributor before any electronic reproduction or distribution. *E.g.*, Garson Br. 10 ("If the publisher wishes to print . . . its collective works — with a freelance contribution included — then it must either expressly obtain rights . . . or an exemption from liability."). Respondents advance this view even though their supporting *amici* acknowledge that individual freelance contributions add only marginally to the economic value created by the electronic copies. *E.g.*, ALA Am. Br. 15 ("success of the Petitioners' commercial electronic databases" results from "factors unrelated to the inclusion of freelance articles"). Given that Congress

characterized Section 201(c) as a "fair balancing of equities," H.R. Rep. No. 94-1476 at 122, J.A. 706a, it is inconceivable that it intended each freelance author to be permitted to interfere so fundamentally with a publisher's exploitation of its collective work copyright. *Cf. Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 526 (1994) (explaining that the plaintiff in an infringement action "is by no means always . . . the only holder of a copyright").

II. Petitioners Publish Each Of Their Collective Works As An Aggregate Whole, Not As Individual Articles.

1. Respondents' principal argument is that their articles are reproduced and accessed individually. The Tasini respondents thus assert that petitioners "select[] out of the day's edition the news and feature articles and . . . prepare[] a series of individual electronic files," Tasini Br. 7, while the Garson respondents argue that petitioners "disassemble their collective works," Garson Br. 14. In support of those and related statements, respondents consistently cite not to actual evidence in this case, but instead to an affidavit submitted by respondents' counsel in the district court. *See* J.A. 65a-115a.

The evidence and the district court's findings are uniformly to the contrary: Petitioners exploit their periodicals only as a whole and are compensated only on that basis. *See generally* Cert. App. 29a-32a. The publishers send precisely the same files to NEXIS as they send to the printer in order to produce the hard-copy edition and do so on an edition-by-edition basis. *Id.* 29a-31a; J.A. 476a-79a. None of the petitioners engages in *any* intervening selection of articles – *i.e.*, NEXIS contains the entire editorial contents of each collective work. Cert. App. 70a n.13 ("[T]here is no intervening original selection of articles that might render NEXIS or UMI's CD-ROMs separate collective works."); J.A. 477a-78a. *See generally* J.A. 470a-81a, 498a-512a (parties' statements of undisputed material facts); SIIA Am. Br. 14-16.

Respondents' two further arguments relating to the transmittal from publishers to NEXIS are unavailing. "Tagging"

articles, *see* J.A. 502a, 504a, 506a, certainly does not disaggregate the collective work. *Contra* Tasini Br. 36-37; Garson Br. 33-34. To the contrary, the information added serves only to maintain the relationship between the collective work and its constituent articles both electronically (*i.e.*, with appropriate computer coding) and for the reader (*i.e.*, by setting forth the name of the periodical, the date, the section name, and the page and column numbers in which the article appeared in the print edition). *See* Cert. App. 70a-71a (petitioners take "numerous steps to highlight the connection between plaintiffs' articles and the hard copy periodicals in which they first appeared").

The Tasini respondents also revive an argument they abandoned in the court of appeals, emphasizing the licensing agreements between the publishers and NEXIS. *See* Tasini Br. 6-10. The right to publish "part of" the periodicals at issue, however, simply accounts for the publishers' unquestioned right to publish staff-written articles apart from the collective work and reflects the fact that a revision need not include a publication's entire selection. *See* Cert. App. 76a-77a n.17 ("the publisher is merely taking advantage of the fact that there is more than one way to revise a collective work"). Also dispositive is the simple (and undisputed) fact that petitioners have never reproduced or distributed freelance contributions apart from the collective works in which they appear.

2. Because petitioners engage in the publication of their periodicals in the aggregate, this case is properly analogized not to an "article reprint service" or breaking a car into "spare parts," *contra* Tasini Br. 38-41; Garson Br. 1-2, but rather to microfilm and microfiche. Although some of respondents' arguments even call microform into serious question,[5] they

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5. *See* Pet. Br. 6, 10-11, 14, 18-19, 45-46 (collecting examples, including in respondents' complaint); *see also*, *e.g.*, Tasini Br. 12 (unlawful to permit users to identify, display, or print any "individual articles").

ultimately concede, as they must, that it is a permissible and longstanding means of publishing collective works, having been in existence for decades by the time Congress adopted Section 201(c). *See* Garson Br. 4 n.3. As the district court found, "A newspaper does not cease to be a newspaper [when it is] used primarily for research purposes [and] consulted only for particular articles identified by researchers in periodical indices." Cert. App. 75a n.16. To the contrary, "*the primary goal of research* . . . is to identify and retrieve individual articles." Hist. Am. Br. 16 (emphasis in original); *see also* Pub. Am. Br. 3.

Nothing else is involved in this case. Petitioners have not culled individual articles, or "parts," out of the collective work, whether for customers to purchase or for any other purpose. An electronic library simply combines the two steps of looking through indices such as *The Reader's Guide To Periodical Literature* and locating the article in the collective work in the stacks. That it does so more quickly and more accurately is entirely consistent with the information-disseminating goals of the Copyright Act. *Accord Mills Music*, 469 U.S. at 172 (rejecting Second Circuit's "assum[ption] that Congress was unaware of a common practice in one of the industries that the general revision of the copyright law . . . most significantly affected").[6] Respondents' position frustrates, and turns on its

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6. The "spare parts" analogy also is inaccurate because articles in NEXIS – which contain notations of the periodical, date, pagination, etc. – clearly indicate their relationship to the original collective work even once retrieved. These notations serve as "electronic staples" binding the articles to the periodical from which they came. As the district court explained in rejecting respondents' spare parts analogy, this relationship imbues the article with credibility and context that it would not have as a stand-alone item.

> To the extent that the articles appearing in electronic form can be likened to car parts, then, it is not those parts that can be fitted into most makes and models, but those that

(Cont'd)

head, Congress's plan to embrace and promote the development of new media technologies. J.A. 638a.

The analogy to microfilm also demonstrates that respondents are wrong to emphasize that NEXIS users may print individual articles rather than entire periodicals. *E.g.*, Tasini Br. 33-35. That argument not only rests on a theory of third party conduct that, under *Sony*, is irrelevant to the direct infringement claim pursued by these respondents, *see* Pet. Br. 47-48, but also looks artificially to the last step of the research process. As the Tasini respondents admit, when a NEXIS subscriber "enters her password and gains access to the database she is not presented with the text of an article," but instead with a list of periodical libraries, all of which must be first searched. Tasini Br. 4. The district court correctly found that NEXIS makes only entire periodicals available to users – *i.e.*, users must search the entire editorial text of the daily editions of *The New York Times*, not individual articles or collections of freelance articles – and charges users on that basis. Cert. App. 30a; J.A. 85a. The publishers, in turn, are compensated not per article but for providing their entire editorial contents. J.A. 471a-75a; *accord* ALA Am. Br. 6.[7] Congress could not possibly have intended to require a user who identifies an article in an electronic copy to *read* the periodical cover-to-cover just because the article happens to have been written by a freelance author.[8] In an effort

(Cont'd)

> are available only at a premium because they meet the design specifications for a particular model produced by a particular automobile manufacturer.

Cert. App. 71a n.14.

7. *See also* Skinner Dep. 53 and McDonald Dep. 38-39, Exhibits 35 and 32, respectively, to the Affidavit of Emily Bass, Esq., dated March 15, 1996, J.A. 114a.

8. Respondents' specific contention that it is difficult to retrieve a full day's edition of a periodical in NEXIS is clearly wrong. As the district court found, and respondents have admitted, a user can readily

(Cont'd)

to deny NEXIS the status of the electronic library anticipated by Congress, respondents incorrectly assert, without any factual support, that NEXIS reproduces and distributes multiple copies of the periodicals and articles fixed within its servers. Tasini Br. 40, 5-6. Just as multiple users may visit a "print" library to view an article fixed on a microfilm spool, so too multiple users access the single periodical (and article) copy fixed within the NEXIS library. Neither NEXIS nor the "print" library makes additional copies any more than they do when a user presses the "print" button on a microfilm reader.[9]

(Cont'd)
retrieve the entire selection of a particular edition of a periodical. Cert. App. 30a-31a; Garson Br. 4; *see also* J.A. 472a, 474a, 475a, 477-78a. Within the *Times* directory, a user would retrieve the entire editorial contents of the March 15, 2001 edition with the entry: "date is 3/15/2001."

9. To the extent that respondents' argue that petitioners are distributing individual articles to users of NEXIS, they are simply wrong. Electronic transmissions are not a distribution, which occurs only when physical "copies" change hands. *Agee v. Paramount Communications, Inc.*, 59 F.3d 317, 324-26 (CA2 1995) (satellite transmission of sound recording not a distribution because physical copy does not change hands); *see also* 17 U.S.C. § 106(3) (describing exclusive right to distribute copies – which are material objects – publicly). Although petitioners distribute copies of their periodicals in CD-ROM, that distribution is no different from that of microfilm and is fully privileged by Section 201(c). To the extent there is any reproduction of an article other than the one that resides on a disk in the NEXIS server or on a CD-ROM inserted into a computer at a library workstation, that reproduction occurs in exactly the same way as when one uses the print function of a microfilm reader, or the record button on a VCR. This gives rise, at best, to the very contributory infringement claim respondents waived below. Pet. Br. 47-48.

III. Respondents' Arguments Conflict With The Media-Neutral Terms Of The Copyright Act.

Respondents argue at length that a collective work is changed in some fundamental way from the print copy when it is stored electronically. Most extreme is the argument that a work never can be fixed electronically because it will be stored as separate bits and bytes. *See* Tasini Br. 8 n.2 ("[O]ne cannot open up a computer and 'draw a circle' around the group of files that contain, say, the text of articles constituting a particular issue of Sports Illustrated."). Alternatively, respondents contend that, once placed in a database, all the articles in a collective work take on an independent status. *E.g.*, *id.* at 34-36. Finally, respondents claim that the NEXIS database is itself a new collective work that contains only numerous individual articles, and not collective works published originally in hard copy. *E.g.*, *id.* at 43-46.

These theories are contradicted by the Copyright Act's media-neutral provisions.[10] The Act's basic definitional provisions carefully distinguish among a "work," the "medium" in which it is "fixed," and the "copy" that results upon fixation. A "collective work," such as the periodicals in this case, is "a work formed by the collection of preexisting materials [*i.e.*, individual articles] . . . that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101. A hard copy, print edition of the periodical is one type of "copy," which is defined as a "material object[] . . . in which a work is fixed and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." The work becomes "fixed" "when its embodiment in a copy . . . is sufficiently permanent or stable to

10. *Cf. Feltner v. Columbia Pictures Television, Inc.*, 523 U.S. 340, 346 (1998) (looking to related provisions of Copyright Act in determining meaning of "court"); *Quality King Distribs. v. L'anza Research Int'l, Inc.*, 523 U.S. 135, 149-51 (1998) (construing 17 U.S.C. § 602(a) in light of §§ 106, 109(a) and 107-120).

permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration." *Id.* The work may be fixed "by any method now known or later developed." *Id.*; *see also id.* § 102 ("Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.").

For purposes of copyright infringement analysis, petitioners' collective works are distinct from the paper "copies" in which they may be "fixed." As the Act states, "literary works" such as periodicals remain the same "works . . . *regardless of* the nature of the material objects, such as . . . periodicals [or] disks, or cards, in which they are embodied." *Id.* § 101. (emphasis added). The legislative history similarly explains that "a 'book' is not a work of authorship, but is a particular kind of 'copy.' Instead, the author may write a 'literary work,' which in turn can be embodied in a wide range of 'copies' and 'phonorecords,' including books, periodicals, computer punch cards, microfilm, tape recordings, and so forth." H.R. Rep. No. 94-1476 at 53, J.A. 697a. [11]

Respondents' varied attempts at characterizing the manner in which petitioners' collective works are fixed on the NEXIS disks or UMI CD-ROM disks cannot be reconciled with these

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11. *See also id.* (explaining the "fundamental distinction between the 'original work,' which is the product of 'authorship,' and the multitude of material objects in which it can be embodied"); *id.* at 52, J.A. 695a (explaining that the Act's "broad language" specifically was "intended to avoid the artificial and largely unjustifiable distinctions . . . under which statutory copyrightability . . . has been made to depend upon the form or medium in which the work is fixed"); *L. Batlin & Son, Inc. v. Snyder*, 536 F.2d 486, 491 (CA2) (en banc) ("the mere reproduction of a work . . . in a different medium" does not create a new work), *cert. denied*, 429 U.S. 857 (1976).

basic copyright concepts. Petitioners' publications are the same "collective works" whether fixed on paper copies or instead on disks. That a person looking at a CD-ROM or the disk stored inside the NEXIS computer cannot see, much less "draw a line" around, an edition of *Sports Illustrated* is irrelevant. The Act provides that the work may be "perceived . . . with the aid of a machine or device." 17 U.S.C. § 101. Similarly, that the collective work is stored as a series of individual files cannot be determinative. It reflects nothing more than that it is a "collective work," which, by definition, is composed of "a number of . . . independent works." *Id.* The proper question is whether those individual files are and remain fixed in a tangible medium of expression in a way that permits the collective work to be "perceived . . . with the aid of a machine." *Id.* The Act specifically recognizes that a work may be fixed in "disks" or "cards" (a reference to storage of information by punchcards), both of which involve disaggregating a collective work into smaller building blocks.[12] In this case, the district court found that the entire work is "fixed" when the publisher transmits it to NEXIS, and that petitioners take substantial steps to ensure that the individual articles retain their collective work status both in computer coding and in explicit references to the hard-copy edition (such as periodical title, date, and page number). *See supra* at 7.[13]

12. Respondents' bare assertion that NEXIS itself could be registered as a collective work, *see* Tasini Br. 45, is not correct. The Copyright Office will not register electronic databases "where the collection and arrangement" consist, as is the case here, of mechanically "transferring data from hard copy to computer storage." Circular 65, Copyright Registration for Automated Databases 1 (U.S. Copyright Office 1999).

13. *Matthew Bender & Co., Inc. v. West Publ'g Co.*, 158 F.3d 693, 702-703 (CA2 1998), *cert. denied*, 526 U.S. 1154 (1999), does not hold that collective works can never be fixed in an electronic medium. *Contra* Garson Br. 12, 39, 44. To the contrary, it is accepted that a work does not lose its copyrightable aspects when placed in a database. *See CCC Information Servs. v. MacLean Hunter Market Reports, Inc.*, 44 F.3d

(Cont'd)

Respondents' approach, if adopted, also would produce absurd practical results. No copyright holder could allege that any electronic reproduction was infringing if the test were whether it is possible to "draw a circle" around a work stored in the bits and byes of a computer. Even a single computer file "may be fragmented across far-flung regions of the disk." Tasini Br. 8 n.2 (internal quotation omitted). Similarly, a publisher could never assert that a large database infringed upon its "collective work" copyright, because all of the component articles would be stored in separate files or "immersed" in the database. *See* Cert. App. 76a (on a proper understanding of the Act, "if NEXIS was produced without the permission of The New York Times or Newsday or Time, these publishers would have valid claims of copyright infringement against" NEXIS). Nor is it easy to understand how an electronic magazine could ever secure a copyright if, as is the overwhelming practice, articles are stored individually. Conversely, under respondents' theories, every work stored electronically would be transformed into part of a "new anthology" with everything else fixed on the disk.[14]

(Cont'd)

61, 68 n.8 (CA2 1994). *Matthew Bender* simply held that the print arrangement of a collective work – the only element of the collective works at issue in that case – was not fixed in an electronic medium. That is less true in this case because, as noted, petitioners take extensive steps to reflect the arrangement of the hard-copy edition in the electronic copies. In any event, it is irrelevant to the more important question whether "selection" is maintained.

14. That result specifically cannot be reconciled with Congress's intent that libraries and owners of computer programs have the right to make "archival copies" of works, *see* 17 U.S.C. §§ 108(a), 117, which is frequently done by placing a copy of the work, along with others, on a computer hard drive or other storage medium. *See* Hist. Am. Br. 8. New, infringing anthologies would be created whenever multiple files are stored on a personal computer's hard or floppy disk, or on blank tapes.

None of those results is tenable. Congress intended the Copyright Act to encourage, not impede, the development of computer technologies. One of the Act's chief drafters explained as early as 1965 that the Act contained no "reference to computers" precisely so that its "broad rights . . . can be adapted as time goes on to each of the new advancing media." J.A. 638a. The legislative history also repeatedly contains examples, from the early 1960s to the Act's passage in 1976, of how computer storage "makes possible automatic location and reproduction either on a screen or on paper of the pages of a book or journal located in a central storage miles away." J.A. 652a. Respondents' argument is nothing less than an attempt to turn back the technological clock.[15]

IV. The Garson Respondents' Remaining Arguments Are Erroneous.

The Garson respondents press two arguments not adopted by the Second Circuit. Neither is availing.

1. They first maintain that, because Section 201(c) grants publishers only a non-transferable "privilege" of reproduction and distribution, licensing arrangements are forbidden. *See* Garson Br. 26-29. This argument rests on an artificial definition of "privilege" that has no place in this context, particularly because the legislative history of Section 201(c) uses the terms "rights" and "privileges" interchangeably. Pet. Br. 20 n.12; J.A. 556a, 585a, 595a, 657a. When Congress intended "privileges" to be limited, it said so expressly.

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15. *See also* H.R. Rep. No. 94-1476 at 47, J.A. 685a. ("During the past half century, a wide range of new techniques for capturing and communicating printed matter, visual images, and recorded sounds have come into use, and the increasing use of information storage and retrieval devices . . . promises even greater changes in the near future. The technical advances have generated new industries and new methods for the reproduction and dissemination of copyrighted works, and the business relations between authors and users have evolved new patterns.").

E.g., 17 U.S.C. § 109(d); *see also* Cert. App. 47a-50a. Moreover, if accepted, this theory would mean that a publisher could not license reproduction even of the collective work in print, not just of an electronic revision. The Garson respondents fail to offer any reason to think that Congress intended to impose so extraordinary a limitation on publishing activities. In addition, the Garson respondents' premise that Section 201(c) grants publishers a *non-exclusive* license is clearly wrong. Under Sections 201(c) and 106, only the publishers own the right to reproduce and distribute their collective works, including freelance contributions. That is an exclusive right and nothing in the text or the legislative history of the Act suggests that it is non-transferable.

2. The Garson respondents next argue that electronic publication infringes upon freelance authors' "display right." The Tasini respondents affirmatively disavow reliance on this point — appropriately so, because it was not raised in the court of appeals. Tasini Br. 19-20 n.5.[16] This argument rests on the

16. The Garson respondents do not maintain that the statement by the Register of Copyrights advancing the "display right" theory, Garson Br. A1-A13, is entitled to deference, and it is not. *See Christensen v. Harris County*, 529 U.S. 576, 586-87 (2000); *Martin v. Occupational Safety & Health Review Comm'n*, 499 U.S. 144, 156-57 (1991). The Register's views are not even entitled to the persuasive force of an *amicus* brief presenting the views of the United States, which the Acting Solicitor General determined not to file in this case. *Cf.* Marybeth Peters, *Presentation of Marybeth Peters, Esq.*, 17 U. Dayton L. Rev. 755, 755 (1992) (emphasizing that the Copyright Office view does not represent that of "the 'United States' "). The Register's support for the Second Circuit's judgment (if not its rationale) also contradicts her oft-stated view that changes in "format" do not bear on the issue of the copyrightability of collective works. Marybeth Peters, *The Copyright Office and the Formal Requirements of Registration of Claims to Copyright*, 17 U. Dayton L. Rev. 737, 741 (1992). As Ms. Peters has explained, "Copyright law tends to be framed in the nature of the work rather than the medium." *Copyright Experts Debate Whether Fair Use Will Wither on Electronic "Pay-Per-View" Vine*, 45 Electronic Commerce & Law Report (BNA) 1143 (Nov. 22, 2000). This is because changes in "forms of expression dictated solely by functional considerations" do not change the underlying copyrightable work. Peters, 17 U. Dayton L. Rev. at 743.

flawed premise that the rights listed in Section 106 of the Copyright Act are mutually exclusive — *i.e.*, that there is a clear line between "display" (which is not mentioned in Section 201(c)) and "reproduction" and "distribution" (which are). In reality, those rights "overlap." H.R. Rep. No. 94-1476 at 61. In particular, the "copies" of collective works that petitioners have the unquestioned right to reproduce may be "perceived . . . with the aid of a machine or device," 17 U.S.C. § 101, which is precisely what occurs with both NEXIS (from a remote location) and *GPO* (using a local computer).[17]

Nor is there any reason to believe that Congress intended to withhold the "display right" from publishers. If it had, a publisher could not publicly display a freelance contribution even as part of the hard-copy collective work. To take the simplest example, a publisher could not reproduce on a billboard an advertisement for its newspaper that displayed a freelance contribution on page one. Nothing in the statutory text or legislative history suggests that Congress intended such a bizarre result.

V. Modification Of The Section 201(c) Compromise Is A Matter Properly Left To Congress.

For the foregoing reasons, the electronic publications at issue in this case fall squarely within the Section 201(c) privilege. Even if that were open to some doubt, however, the matter should be left to be resolved by Congress. This Court has consistently relied upon Congress to make appropriate legislative adjustments "when major technological innovations alter the market for copyrighted materials." *Sony*, 464 U.S. at 431. That approach is particularly sound here because Congress has twice rebuffed freelancers' proposals that Section 201(c)

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17. On the mistaken view that Congress intended to withhold any right not expressly mentioned in Section 201(c), a publisher could not "publicly perform" freelance contributions as part of a collective work – much the way Mayor LaGuardia did during the famous New York newspaper strike, reading the newspaper over the radio.

be amended to produce the result that they now press in this Court. *See* Pet. Br. 37-39.

Even more important in this respect is that the Second Circuit's judgment, if affirmed, will disrupt years of settled expectations as to how the allocation of rights embodied in Section 201(c) was to apply to the "advancing media." The decision to publish periodicals in electronic form was accepted by thousands of writers, who knew of computer storage long before this lawsuit and received benefits both in increased speed of research and in availability of their works. *Cf. Sony*, 464 U.S. at 456 ("One may search the Copyright Act in vain for any sign that the elected representatives of the millions of people who watch television every day have made it unlawful to copy a program for later viewing at home. . . ."). Even if no court orders injunctive relief, the Second Circuit's judgment will require the wholesale deletion of hundreds of thousands of freelance contributions because no rational publisher would risk the liability exposure from the "tidal wave" of litigation avowedly fomented by lead-respondent Tasini. *See* Cert. Pet. 12-13; Pub. Am. Br. 20-21; *see also* Barbara Quint, *Gale Group and Dialog to Gather Gannett Newspapers*, Information Today, March 1, 2001, at 1 (as a result of Second Circuit's decision, Gannett's archival online service will "eliminat[e] all content from freelance authors for which [Gannett] does not have clear electronic rights," leaving "searchers unable to know what has and hasn't been covered in the course of a search"). But for the stay of mandate entered by the Second Circuit, those deletions already would be under way. *See* J.A. 529a-32a, 535a-36a, 541a-42a (sworn testimony in support of stay application that deletions will be only available alternative).[18]

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18. The 21 articles written by respondents have already been deleted from NEXIS. Of particular note, the publisher of *U.S. News & World Report* reacted to the Second Circuit's judgment in this case by omitting freelance contributions from microfilm copies. Hist. Am Br. 16 n.17.

Similarly, prohibitively "high transaction costs," ALA Am. Br. 5, 15, make it impossible for publishers to clear decades' worth of rights held by freelance authors, their assignees, and heirs. *See* Pet. Br. 49. Some of respondents' *amici* be little the consequence of these massive deletions, ASMP Am. Br. 26, but they ignore the loss to society that will result. Hist. Am. Br. 13-14. Respondents' proposed Publication Rights Clearinghouse, *see* Tasini Br. 50, ignores both the fact that a judgment for respondents in this case creates substantial retroactive liability and the fact that the six plaintiffs in this case obviously cannot require their fellow freelancers to participate in their preferred (non-binding) solution. *See* Pub. Am. Br. 20-21.

CONCLUSION

For the foregoing reasons and those stated in petitioners' opening brief, the judgment of the Second Circuit should be reversed.

Respectfully submitted,

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In the

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THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

vs.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS snd DAVID WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

BRIEF FOR *AMICUS CURIAE* AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION IN SUPPORT OF NEITHER PARTY

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INTEREST OF THE AMICUS CURIAE[1]

The American Intellectual Property Law Association ("AIPLA") is a national association of approximately 10,000 members who are primarily attorneys with interests and practices in the areas of patent, copyright, trademark, trade secret, and other intellectual property law. AIPLA attorneys are employed by private law firms, corporations, universities, and governments, and represent owners, inventors, authors, publishers and users of intellectual property. Unlike many other areas of practice in which separate and distinct plaintiffs' and defendants' bars exist, most, if not all, intellectual property law attorneys represent intellectual property creators, owners and alleged infringers.

The AIPLA has no stake in the parties to this litigation or the outcome of this case, other than its interest in seeking correct and consistent interpretation of the law relating to intellectual property.

SUMMARY OF THE ARGUMENT

The AIPLA agrees with the lower courts, in one important aspect: that this is a case of first impression. However, the AIPLA believes that the Copyright Act and the policy underlying the Act provide guidance as to the proper resolution of this matter. The AIPLA herein addresses that policy, as well as interpretation of the term "revision."

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[1] Pursuant to Rule 37.3, the parties have consented to the filing of this brief. Their letters of consent have been filed with the Clerk of the Court.

Pursuant to Rule 37.6, *amicus curiae* states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than the *amicus curiae* or its counsel.

It is the position of the AIPLA that mere conversion of a collective work from one medium to another is a reproduction that is within the rights of a publisher under Section 201(c) of the Copyright Act. However, such a conversion is not a permitted "revision" if each separate contribution is stripped from the collective work.

Because this interpretation may significantly alter industry practice, it is the position of the AIPLA that any requested relief should be granted prospectively only and should not include injunctive relief.

ARGUMENT[2]

I. FACTORS TO BE CONSIDERED UNDER THE COPYRIGHT ACT

The Copyright Act is unique in that it was substantially the product of negotiations between publishers and authors. Congress enacted the resultant proposals, with little change. The publishers negotiated to obtain broad rights in copyrighted works through contract and through automatic transfer of the copyright to the publisher under the work for hire provisions in the Act.

A. Copyright Policy Considerations Demand That the Interests of the Public and the Interests of Authors Be Considered.

The Constitution grants to Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the

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[2] Counsel of Record give special thanks to the following people, who also gave a great deal of time and effort in the preparation of this brief: Gregory A. Sebald, Jon R. Trembath, Gregory C. Golla, Matt Doscotch and Robert A. Kalinsky, all of Merchant & Gould P.C.

exclusive Right to their respective Writings and Discoveries." U.S. Const., Art. I, Section 8, cl. 8. Congress has created limited monopoly rights in various works in the Copyright Act, 17 U.S.C. § 101 *et seq.*

This Court has "often recognized [the fact that] the monopoly privileges that Congress has authorized, while 'intended to motivate the creative activity of authors and inventors by the provision of a special reward,' are limited in nature and must ultimately serve the public good." *Fogerty v. Fantasy Inc.*, 510 U.S. 517, 526 (1994) (quoting *Sony Corp. of Am.* v. *Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984)). This Court has discussed the policies underlying the 1909 Copyright Act:

> The limited scope of the copyright holder's statutory monopoly . . . reflects a balance of competing claims upon the public interest: Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts. The immediate effect of our copyright law is to secure a fair return for an "author's" creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good.

Twentieth Century Music Corp. v. Aiken, 422 U.S. 151, 156 (1975) (footnotes omitted).

B. The 1976 Act Was Carefully Negotiated By Competing Interests.

The 1976 Copyright Act was the product of years of negotiation between publishers and authors. As stated by this Court, the 1976 Copyright Act, "which almost completely

revised existing copyright law, was the product of two decades of negotiation by representatives of creators and copyright-using industries, supervised by the Copyright Office and, to a lesser extent, by Congress." *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 743 (1989); *see also* Litman, *Copyright, Compromise, and Legislative History*, 72 Cornell L.Rev. 857, 862 (1987). Strict adherence to the language and structure of the Act is particularly appropriate where, as here, a statute is the result of a series of carefully crafted compromises. *See Rodriguez v. Compass Shipping Co.*, 451 U.S. 596, 617 (1981); *United States v. Sisson*, 399 U.S. 267, 291, 298 (1970). Further, strict adherence to the language and structure of the Act serves to more clearly define the rights of the parties and owners of copyrighted works. As stated by this Court, "because copyright law ultimately serves the purpose of enriching the general public through access to creative works, it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible." *Fogerty v. Fantasy Inc.*, 510 U.S. 517, 527 (1994).

C. The Copyright Act Provides That Although Authors Initially Own the Copyright in Their Works, These Rights May Be Transferred.

1. Authors May Contractually Transfer Their Rights to Publishers.

The Copyright Act carefully delineates the ownership rights in works covered under the Act. Section 201 of the Copyright Act provides that the ownership of the copyright initially vests with the author of the work. 17 U.S.C. § 201(a). However, the Act provides that authors may transfer these rights through contract. Section 201 of the Act provides:

Transfer of Ownership.

> (1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.
> (2) Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

17 U.S.C. § 201(d).

The Copyright Act thus expressly provides for the transfer of ownership in copyright by the author to a publisher or buyer of the work. However, except in the case of works made for hire, this transfer of rights is subject to termination. 17 U.S.C. § 203.

2. Publishers May Obtain Broad Rights Through the Work Made for Hire Provisions of the Copyright Act.

Publishers negotiated an exception to the termination rights of the authors. This exception is found in the rights of the employer or buyer of a work made for hire. Section 201 of the Act also provides for works made for hire:

> *Works made for hire.*-In the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author for purposes of this title, and, unless the parties have

> expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright.

17 U.S.C. § 201(b). Works made for hire are defined in Section 101 as:

> (1) a work prepared by an employee within the scope of his or her employment; or
> (2) a work specially ordered or commissioned for use as a contribution to a collective work, . . . , [or] as a compilation, . . . , if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.

17 U.S.C. § 101.

The "work for hire" provisions of the Act are important because they provide a method for publishers to be deemed the "author" and thus obtain all rights of copyright in a work. The Act specifically contemplates that publishers may be deemed "authors" of works used in collective works if certain conditions are met.

This Court has previously examined the relationship between authors and publishers by construing the "work for hire" provisions of the Copyright Act. In 1965, the competing interests of authors and publishers reached an historic compromise with the enactment of a "work for hire" statute that, with slight modification, became a part of section 101 of the 1976 Act. *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 746 (1989). The historic compromise involved concessions from publishers on provisions relating to the termination of transfer rights, now Section 203, and the author's consent to a second subsection which classified four categories of commissioned works as works for hire if the parties expressly so agreed in writing. *Reid*, 490 U.S. at 746.

A contribution to a collective work, such as the collective works involved in this case, may be a "work for hire."

In *Reid*, the publishers argued that an employment relationship exists if the hiring party has a right to control or supervise the artist's work. *Reid*, 490 U.S. at 748-49. In *Reid*, this Court indicated that the publishers' expansive construction of the work for hire provisions would impede Congress' paramount goal in revising the 1976 Act of enhancing predictability and certainty of copyright ownership. The Court focused on the parties' ability to contract as to who owns the copyright, finding that "[i]n a 'copyright marketplace,' the parties negotiate with an expectation that one of them will own the copyright in the completed work." *Reid*, 490 U.S. at 749-50 (quoting *Dumas v. Gommerman*, 865 F.2d 1093, 1104-05 n.18 (9th Cir. 1989)). With that expectation, the parties at the outset can settle on relevant contractual terms, such as the price for the work and the ownership of reproduction rights. *Reid*, 490 U.S. at 750. In *Reid*, the Court made clear that it would not search for a tortured reading of the Copyright Statute to protect either publishers or authors, as either party could negotiate and contract to obtain rights of Copyright. Similarly, in this case, the Court should not search for a tortured reading of the Copyright Statute, as the Statute provides a straightforward mechanism for negotiating copyright ownership of works embodied in a collective work.

3. Derivative Works Do Not Extinguish Prior Rights in the Copyrighted Work.

The Court has consistently protected the holder of the copyright interest in the work unless an exception to the statutory protection exists. In *Stewart v. Abend*, 495 U.S. 207, 230 (1990), the Court rejected the argument that the creation of a derivative work extinguishes the rights of the owner of the original work during the renewal term. The

Court concluded that to hold otherwise would be "contrary to the axiomatic copyright principle that a person may exploit only such copyrighted literary material as he either owns or is licensed to use." *Id.* at 223. The Court stated that:

> So long as the pre-existing work remains out of the public domain, its use is infringing if one who employs the work does not have a valid license or assignment for use of the pre-existing work. It is irrelevant whether the pre-existing work is inseparably intertwined with the derivative work.

Id. at 223 (citations omitted). In *Stewart*, the Court indicated that it would not be swayed by arguments that authors would be able to make exorbitant demands for the republication of derivative works and that these works would no longer be available during the reversion period, indicating that these arguments were better addressed by Congress than the Court. *Id.* at 228.

D. Collective Works are Entitled to Protection as a Compilation But Protection Does Not Extend to the Underlying Works in the Compilation.

The Copyright Act provides for protection of compilations and derivative works in Section 103. The Act defines a compilation as follows:

> A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

17 U.S.C. § 101.

It is important to note that this definition explicitly provides that collective works are a subset of compilations. "A 'collective work' is a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." *Id.* The collective work copyright includes the elements of compilation and editing that went into the selection of the works for the collection. H. Rep. No. 94-1476, at 122 (1976).

Section 103(a) states that copyrightable subject matter includes compilations and derivative works. 17 U.S.C. § 103(a). The Act further provides in Section 103(b):

> (b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

Thus, the Act specifically provides for a limited Copyright in a compilation extending only to the contribution resulting from arranging the compilation. The Act explicitly provides that the right to copyright in the compilation does not extend to the underlying works in the compilation. In this regard, each underlying work in the compilation retains its initial copyright status. The protection the Copyright Act affords these works only extends to the material the author contributes to the compilation or derivative work. *Id.* The author's protection does not extend to preexisting material.

II. A "REVISION" UNDER SECTION 201(C) DOES NOT PERMIT LICENSING OF CONTRIBUTIONS TO COLLECTIVE WORKS FOR REPRODUCTION OR DISTRIBUTION IN ELECTRONIC DATABASES

A. Absent a Written Agreement to the Contrary, Copyright Ownership in Contributions to Collective Works Remain With the Authors, But the Owner of the Collective Work May Use the Contributions in Three Circumstances.

Section 201 defines ownership of copyright. Ownership initially vests in the author of the work. 17 U.S.C. § 201(a). Section 201 separately establishes and reaffirms that each contribution to a collective work has distinct copyright ownership that is separate from the copyright in the collective work as a whole. 17 U.S.C. § 201(c). Copyright ownership vests initially in the author of the individual contribution to the collective work, but also vests to the original work created by the one assembling and arranging the contributions.

In its second sentence, section 201(c) enumerates privileges extended to the creator of the collective work.

> In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

17 U.S.C. § 201(c). As the plain language of the statute shows, the privileges only include the "reproduction and distribution" of the contribution in the three listed circumstances. *Id.*

B. Permissible Revisions of Collective Works Under Section 201(c).

Unfortunately, the statute fails to define "revision" and Congress has only used the word in one other context in the copyright laws.

When a statute does not provide a definition for a term, the court should give the word or words used their ordinary meaning. *Smith v. United States*, 508 U.S. 223, 228 (1993). This is especially appropriate when interpreting the Copyright Act. *Reid*, 490 U.S. at 739 (because the Copyright Act was the subject of much negotiation between publishers and authors, using the plain meaning of undefined words in the Act is favored). As in *Reid*, this Court should use the ordinary meaning of the words used in the Act. *Id.*

Merriam-Webster's Collegiate Dictionary defines a revision as: "an amended, improved, or up-to-date version of a work." Merriam-Webster's Collegiate Dictionary (10th ed. 1995).

A derivative work is separate copyrightable subject matter under the Act and is treated separately under the Act. When defining derivative works, Congress included "editorial revisions" that as a whole constitute original copyrightable works. 17 U.S.C. § 101. This section sheds little light on the definition of "revision," as it allows for, but does not require, a revision to involve changes substantial enough to constitute an original copyrightable work.

Section 201's legislative history provides additional guidance to the question of what is a permissible revision under the statute. In part, the legislative history states that:

> Under the language of this clause a publishing company could reprint a contribution from one issue in a later issue of its magazine, and could reprint an article from a 1980 edition of an encyclopedia in a

> 1990 revision of it; the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

H. Rep. No. 94-1476, at 122-123 (1976).

Section 201(c), coupled with section 404 of the copyright laws, preserves an author's copyright in the contribution to a collective work. Absent an express transfer of rights, as a basic presumption, the initial author retains copyright in the contribution to the collective work. In this situation, it is also presumed that the author of the collective work acquires the privileges enumerated in section 201(c). Congress recognized the competing interests involved in the 1976 copyright revisions in stating that "[t]he basic presumption of 201(c) . . . is fully consistent with present law and practice, and represents a fair balancing of equities." H. Rep. No. 94-1476, at 122 (1976).

The inquiry in this case is on the nature of the work that is created from the original collective work and whether or not that new work is a permissible revision or a work that falls outside the "revision" safe harbor of section 201(c). Thus, if the work created from the original collective work is an improved and up-to-date version of the original collective work, or if a portion of the original work is reproduced in a later version of the same collective work, the work is a permissible "revision" under section 201(c). If the work created from the original collective work is in the nature of a new anthology, an entirely different magazine or a different collective work, it is not a permissible "revision" under section 201(c).

C. Determinations of Permissible and Impermissible Revisions Under Section 201(c) Require Comparison of the Original Collective Work and the Allegedly Privileged Work.

Four scenarios provide a range of relevant situations to this case and for future cases regarding publishers', such as newspaper publishers', use of a freelance author's contributions to collective works. These scenarios are: (1) using the contribution in the original publication of the newspaper, (2) electronically scanning the newspaper in which the contribution appears in its entirety, (3) publishing the contribution as part of a collective work on its own Internet website, and (4) licensing articles removed from the collective work to be published on a searchable electronic database accessible on CD-ROM or through the Internet.

The first of these situations is clearly within the section 201(c) privilege of reproducing and distributing the contribution as part of that particular collective work.

The second category also falls under the 201(c) privilege in that although the media type has changed, the original collective work has retained all of its aspects of originality, such as the selection and layout of the articles contained therein. The essence of a copyrightable collective work, such as a newspaper, is the layout and coordination of the articles as well as the selection of those articles. Scanning an original copy of the newspaper into an image retains all of the copyrightable addition the publisher made to the work.

As to category three, the line between acceptable and unacceptable reproduction or distribution under section 201(c) is not so clear. Often publishers include archive retrieval databases on Internet sites that permit a user to access articles in the same way as a NEXIS database. This use of the contribution may be beyond section 201(c)'s privileges.

On the other hand, typical publisher Internet sites include recent issues of the periodical or magazine that include individual contributions set in a different format with different advertising, but still retaining the collective characteristics of the original work in that the works are still collected together and accessible from a single collective body. Therefore, publishers' Internet websites that provide the original collection of works in one locale with the individual contributions retained in the context of one another are at a minimum later collective works in the same series.

The fourth category describes works that are not permissible revisions under section 201(c). In removing the article from the rest of the collective work to be individually accessed in a database, the article standing alone no longer includes the copyrightable subject matter for a collective work. The article does not retain the characteristics of being a work formed from a number of contributions that are selected, coordinated, or arranged to constitute an original work. Even when submitted to a company, such as NEXIS, with all the articles from a particular issue, the submission no longer includes the copyrightable material from the original publication. Licensing the articles to a database company in this manner allows a publisher to improperly extend its privilege to the pre-existing work, which section 201(c) clearly prohibits. This use of the individual contribution extends beyond the scope of the section 201(c) privilege. This is not a later edition or issue of the collective work.

Although the individual contributions may be part of a larger collection of works in, for example, a NEXIS database, this collection may be viewed as a non-privileged new anthology or other collective work. Documents within the database can be obtained through a search engine that retrieves one or more works at a time without the surrounding articles or layout that made the original collective work copyrightable. The privilege of reproduction and distribution granted to publishers does not extend this far. *See Ryan v.*

CARL Corp., 23 F. Supp. 2d 1146 (N.D. Cal. 1998)(refusing to extend the section 201(c) privilege to the sale of photocopies of individual contributions that had first appeared in a publisher's "collective work"). Therefore, publishers should be precluded from licensing collective work contributions to database companies, electronic or otherwise, in which the company provides articles upon request outside of the context of the original publication of the collective work.

This interpretation applies the plain meaning of "revision." It is consistent with the legislative history of the Act. It also respects the Act's balance of authors' and publishers' interests. Publishers may negotiate for authorship rights to individual contributions to a collective work by satisfying the requirements for a "work for hire," if such rights are needed to justify the publisher's investment in the collective work. Such a negotiation gives publishers unfettered control of a contribution to a collective work regardless of what new media may arise which create new markets for the work. To give this right to publishers absent a contract upsets the delicate balance of original and negotiable rights created by the Copyright Act.

D. Section 201 is a Media Neutral Statute.

There are many different types of media that can be used for the dissemination of copyrighted works. The mere fact that a work is fixed from one medium to another does not necessarily mean that the work is a "revision" or even a separately copyrightable work. Congress' intent on this issue is evidenced in defining copyrightable subject matter as "original works of authorship fixed in any tangible medium of expression, now known or later developed." 17 U.S.C. § 102. *See* H. Rep. No. 94-1476, at 52 (1976).

In examining the language of section 201(c), the words are media neutral and do not delineate what media are

acceptable. In fact, section 201(c)'s legislative history explains several unacceptable revisions, such as attempts to revise the contribution itself, or including the article in "a new anthology or an entirely different magazine or other collective work." H. Rep. No. 94-1476, at 122-23 (1976). These examples do not limit or constrain the media type, but focus on the nature of the collective work in its revised form.

Further, the decisions of this Court and federal court of appeals decisions also support a media neutral approach to applying section 201(c). *See Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 432 (1984)(*citing Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975)); *WGN Continental Broadcasting Co. v. United Video*, 693 F.2d 622, 627-28 (7th Cir. 1982). Thus, conversion of a collective work from one medium to another, without changing the content, falls within "the privilege of reproducing and distributing the contribution as part of that particular collective work . . . ." 17 U.S.C. § 102(c).

III. ANY RELIEF GRANTED TO PLAINTIFFS SHOULD BE APPLIED ONLY PROSPECTIVELY TO FUTURE ACTS OF INFRINGEMENT.

The Supreme Court in *Chevron Oil Co. v. Huson*, 404 U.S. 97 (1971), first addressed the possibility of applying a judgment prospectively in the civil context. In *Chevron Oil*, this Court identified three factors to examine when determining whether a judgment should be applied solely prospectively. These factors are:

1. examining whether the decision establishes a new principle of law, either by overruling clear precedent or deciding an issue of first impression;
2. weighing the merits and demerits by examining the history of the law, the purpose and effect of the law,

and whether prospective application would further or retard the purpose of the law; and

3. weighing the inequity imposed through retroactive application.

Id. at 106-07. In affirming the Fifth Circuit decision for the plaintiff, the Court examined the three factors and determined that, although the Louisiana state statute of limitations did bar a personal injury claim, that judgment would only be applied prospectively.

Supreme Court cases subsequent to *Chevron Oil* have further limited the prospective application doctrine, but these limitations address situations where a lower court, subsequent to a Supreme Court interpretation of the law, has decided to apply that Supreme Court interpretation only prospectively. *See, e.g., Reynoldsville Casket Co. v. Hyde*, 514 U.S. 749, 752 (1995) (noting that when the Supreme Court decides a case and applies a new legal rule to the parties before it, other courts must then treat the rule as retroactive and apply it to all other pending cases whether or not those cases involved pre-decision events).

In the instant case, the Court has before it an issue of first impression, and the two remaining factors identified in *Chevron Oil* favor applying any judgment of infringement solely prospectively for future acts of infringement.

A. The Question of Whether the Act of Depositing an Article Into an Electronic Database is a Protected Revision of a Collective Work Under §201(c) is an Issue of First Impression.

In *Chevron Oil*, the first factor the Court examined when determining whether or not to apply its decision prospectively was whether the decision would establish a new principle of law, either by overruling precedent or deciding an issue of first impression. *Chevron Oil*, 404 U.S. at 107. In *Northern*

Pipeline Co. v. Marathon Pipe Line Co., 458 U.S. 50, 87 (1982), the Court noted that the issue before it, the grant of judicial power to a non-Article III bankruptcy judge, presented an unprecedented question of the interpretation of Article III. *See also Allen v. State Board of Elections*, 393 U.S. 544, 571-572 (1969) (noting that issues relating to the coverage of § 5 of the Voting Rights Act of 1965 involved complex issues of first impression subject to rational disagreement).

In the instant case, it is clear that the issue of the privileges granted to publishers under § 201(c) is a question of first impression. *See Tasini v. The New York Times Co.*, 972 F. Supp. 804, 812 (S.D.N.Y. 1997) ("there is virtually no case law parsing the terms of §201(c) and certainly no precedent elucidating the relationship between that provision and modern electronic technologies").

This Court has not determined the scope of the privileges granted under § 201(c) to publishers. Further, the arguments provided on both sides of the case, as well as the diametrically opposing positions taken by the lower courts in this matter, illustrate that the issue is subject to rational disagreement. Therefore, the first factor under *Chevron Oil* weighs in support of prospective application of any judgment of infringement.

B. The Prior History of § 201(c), its Purpose and Effect, and its Operation Would Not Be Furthered Through Retroactive Application of Any Judgment of Infringement.

The Court in *Chevron Oil*, in examining the second enumerated factor, found that the primary purpose underlying the Act at issue in *Chevron Oil* was to aid injured employees, and that applying a statute of limitations barring recovery by an employee would not further the goal of the act. *Chevron Oil*, 404 U.S. at 107-08. Further, in *American Trucking*

Associations, Inc. v. Smith, 496 U.S. 167, 180-81 (1990), the Court determined that the purpose of the Commerce Clause did not require retroactive application of prior precedent, because application would not tend to deter the states from further Commerce Clause violations.

The district court in the present case examined the main impetus behind the legislature in enacting § 201(c) in the 1976 Copyright Act. *See Tasini*, 972 F. Supp. at 812-21. The district court found that the 1976 act functioned to avoid the unfairness inherent in indivisible rights under copyright law, as well as protecting authors' rights in the individual work, while permitting publishers broad discretion in revising their collective works. *Id.* at 815 and 819-20. The application of prospective relief would not violate legislative intent. Any judgment defining the rights in collective works and revisions of collective works could be applied prospectively and still protect authors' rights in their individual works while allowing publishers to make authorized revisions to their collective works.

The purpose of section 201(c) would not be retarded by prospective application of any judgment of infringement by the Court. Future liability for infringement will adequately deter publishers from future infringement. Retroactive application of the new interpretation of section 201(c) could thwart one of the primary Constitutional purposes of the Copyright Act—the promotion of science and the useful arts. Retroactive application of the rule could disrupt public access to existing databases that are widely used to promote science and the useful arts. Therefore the second factor enumerated in *Chevron Oil* supports the application of the court's judgment only prospectively.

C. The Retroactive Application of the Court's Judgment Would Impose Great Inequity Upon the Publishers.

In the final factor enumerated by *Chevron Oil*, the Court examined the equities of the case and decided whether the retroactive application of its judgment would result in "substantial inequitable results." *Chevron Oil*, 404 U.S. at 108. In *American Trucking*, the Supreme Court noted that retroactive application of its judgment would severely burden the State's operations as well as possibly deplete the state treasury and entail significant administrative costs. *Id.* at 182-83. In contrast, the Court in *Ryder v. United States*, 515 U.S. 177 (1995), noted that the facts in the case before it did not constitute "the sort of grave disruption or inequity involved in awarding retrospective relief" because any judgment would affect only approximately ten pending cases on review. *Id.* at 185.

In the present case, the record is replete with facts illustrating the inequities of applying any decision of infringement retrospectively. The publishers have asserted retroactive liability will affect many third parties across the nation. The publishers also assert any judgment providing liability for past infringement will require widespread deletion of articles from databases and the destruction of thousands of CD-ROMs. Defendants' Petition For a Writ of Certiorari, pp. 12-13. Retroactive liability may further require locating and negotiating with thousands of individual authors, their transferees, or heirs. Defendants' Reply, p. 3. Any suggestion that previous infringement may be contracted around ignores the impossibility of locating and negotiating with untold numbers of authors. *Id.*

Retroactive liability could also disrupt entire industries that have been built over the past several decades on the expectation that § 201(c) allowed publishers to reproduce entire collected works in electronic database repositories such

as NEXIS. *Id.* Indeed, retroactive liability would likely upset settled expectations of most parties to transfers of works for use in collected works. In today's Internet age, it is possible that most, if not all, contributors to collective works understand that the collective work may be available on the Internet or searchable via a database such as NEXIS.

Not only would retrospective liability potentially require deletion of thousands of articles from presently available databases and the destruction of thousands of CD-ROMs, it would also affect historians and libraries that depend upon the completeness of such depositories. Defendants' Reply, pp. 1-2. Although the authors assert that they do not wish to have wholesale destruction of data and have established a publication rights clearinghouse, see Plaintiffs' Brief in Opposition, p. 15 n.6, the fact is that retroactive application of any judgment would strap publishers with significant liability for a previously accepted practice and could require the destruction of large amounts of data.

Therefore, as the Supreme Court noted in *American Trucking*, any retroactive application of the court's judgment would impose great inequities upon the publishers, creating significant financial and administrative burdens. This third factor clearly supports the prospective application of the Court's judgment.

Because all three factors enumerated in *Chevron Oil* support the prospective application of any finding by the court of copyright infringement, the Court should apply its judgment only prospectively.

Further, because of the vast impact even prospective relief would have upon parties, as well as third parties, such relief should be limited to compensation, not the grant of an injunction.

CONCLUSION

Based on the foregoing analysis, the AIPLA is of the position that the mere conversion of a collective work from one medium to another is a reproduction that falls within the rights of a publisher under section 201(c) of the Copyright Act. However, it is also the position of the AIPLA that when each individual contribution is stripped from the collective work, such a conversion is not a permitted "revision."

Finally, because this position may significantly alter industry practice, it is the belief of the AIPLA that any requested relief should be granted prospectively only and limited to compensation, not injunctive relief.

Respectfully submitted,

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IN THE

Supreme Court of the United States

OCTOBER TERM, 2000

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

—v.—

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR ADVANCE PUBLICATIONS, INC., BELO CORP., BUENA VISTA MAGAZINES, INC., THE COPLEY PRESS, INC., COX NEWSPAPERS, INC., DONREY MEDIA GROUP, DOW JONES & COMPANY, INC., THE E.W. SCRIPPS COMPANY, FREEDOM COMMUNICATIONS, INC., GANNETT CO., INC., HACHETTE FILIPACCHI MAGAZINES, INC., THE HEARST CORPORATION, JOURNAL COMMUNICATIONS INC., KNIGHT RIDDER, MACROMEDIA INC., MAGAZINE PUBLISHERS OF AMERICA, INC., THE MCCLATCHY COMPANY, NEWS AMERICA INC., NEWSPAPER ASSOCIATION OF AMERICA, PHILADELPHIA NEWSPAPERS, INC., PRIMEDIA INC., VILLAGE VOICE MEDIA, INC., THE WASHINGTON POST COMPANY, AND ZIFF DAVIS MEDIA INC., *AMICI CURIAE,* IN SUPPORT OF THE PETITIONERS

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QUESTION PRESENTED

Do newspapers and magazines have the presumptive right under 17 U.S.C. § 201(c) to publish their collective works not only in print but also in digital and other non-print formats such as NEXIS and CD-ROMs that serve overwhelmingly important archival functions for researchers, students, historians and the public at large, or does such electronic publication infringe the copyrights of contributing freelance authors?

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INTEREST OF THE *AMICI CURIAE*[1]

This brief *amici curiae* in support of reversal is submitted on consent by Advance Publications, Inc., Belo Corp., Buena Vista Magazines, Inc., The Copley Press, Inc., Cox Newspapers, Inc., Donrey Media Group, Dow Jones & Company, Inc., The E.W. Scripps Company, Freedom Communications, Inc., Gannett Co., Inc., Hachette Filipacchi Magazines, Inc., The Hearst Corporation, Journal Communications Inc., Knight Ridder, Macromedia Inc., Magazine Publishers of America, Inc., The McClatchy Company, News America Inc., Newspaper Association of America, Philadelphia Newspapers, Inc., PRIMEDIA Inc., Village Voice Media, Inc., The Washington Post Company, and Ziff Davis Media Inc. (the "*amici*"). For the reasons discussed below, *amici* urge that the Court reverse the judgment below.

Amici are newspaper and magazine publishers who, collectively, publish hundreds of newspapers and magazines, including some of the most influential and useful periodicals in the nation, and trade associations that represent the interests of these newspapers and magazines. Almost all of those newspapers and magazines are collective works, containing contributions from freelance contributors in addition to contributions from staff-employee writers. Almost all have for some years (and in many cases some decades) been published in both paper and also non-paper, usually digital, formats, including the NEXIS service or other such services, CD-ROMs, microfilm or electronic media. For those media, today's issue and back issues of a publication are often electronically searchable with back issues of that same publication, and sometimes with back issues of other publications. Until this 1999 decision, publishers and apparently

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[1] No counsel for a party in this Court authored this *amici curiae brief* in whole or in part, and no person or entity, other than the *amici curiae*, made a monetary contribution to the preparation or submission of the brief. The individual *amici* are identified in the addendum attached hereto.

authors— consistent with industry custom — assumed that the 1976 Copyright Act granted publishers the right to exploit the collective work, including by licensing NEXIS and comparable electronic libraries to publish the collective work. Since few if any newspaper or magazine publishers have throughout this approximately two decades of electronic publication routinely obtained from each of their freelance contributors "an express transfer of the copyright or of any [electronic (or non-paper) publication or archival republication] rights under it," the continued preservation and integrity of electronic archives online or through such media as CD-ROM depends in large measure on the construction of 17 U.S.C. § 201(c) reached by this Court.

Acting, as the framers of the First Amendment expected they would, as representatives of the public interest and stewards of the public's interest in access to the record of the nation's history that the press writes day by day, *amici* have a direct and compelling interest in the privilege Congress afforded them under § 201(c) to publish their periodicals in any medium, including in digital formats and in such other media as microfilm and CD-ROM, for the benefit of researchers, scholars and the public at large.

SUMMARY OF ARGUMENT

Amici submit this brief to focus the Court's attention on the enormous extent to which the result reached by the Second Circuit would restrict public access to the national historical record compiled by the nation's newspapers and magazines since January 1, 1978. Unless reversed, the Second Circuit's decision will gratuitously harm the public interest underlying copyright law — without any discernible benefit to the public interest underlying copyright law, or even to freelance writers in general.

Over the past forty years — with republication first on microfilm and microfiche, and then in digital form with the advent of services like NEXIS and media like CD-ROMs, and more recently on websites of individual newspapers and

magazines — back issues of newspapers and magazines have become easier to access, easier to use, and free from physical deterioration. In reliance on these new archival media, public and university libraries have substantially reduced their holdings in physical copies of newspapers and periodicals.

The Second Circuit's decision threatens to degrade this valuable public resource immediately and severely. The boundless breadth of the decision appears, astonishingly, to mean that storage of any given issue from any given periodical with issues of other periodicals, or even with other issues of that same periodical — in an electronic library like NEXIS, or on a CD-ROM — precludes a publisher from relying on 17 U.S.C. § 201(c) with respect to every individual article in which the publisher does not own a separate copyright, or have the express, specific right to include it in the particular media format of the publication. The decision even seems to threaten the microfilm and microfiche archives on which the public had come to depend (and about which freelancers had not complained) before the advent of electronic media.

As a practical matter, the Second Circuit's decision will, at a minimum, lead most publishers to delete freelance contributions — assuming that such contributions can be identified — from the electronic versions of their old newspapers and magazines on a wholesale basis, due to the difficulty and expense of locating freelance contributors and obtaining their authorization for republication in those forms. Indeed, some publishers have begun making such deletions. The modest phrase "freelance contributions," moreover, covers a large territory: for newspapers, for example, it extends past such traditional "freelance" works as travel pieces and book reviews to news stories sent in by stringers, letters to the editor, Op-ed pieces and other articles sent in "over the transom" by political officials and public spirited citizens, among others. All of these, under the Second Circuit's decision, would (absent other available defenses) have to be deleted from all non-print versions of a newspaper to avoid infringement liability.

Whether the electronic publication occurred on NEXIS, on some other service, on a website, or in some other medium (such as optical disk or microfilm), the Second Circuit's judgment has the same consequence: it will be virtually impossible as a practical matter, and grossly inefficient, for publishers to find each and every freelance writer (or their heirs and assigns) whose work is included in an archived edition (usually without the benefit of any delineation of who was an "employee" and whose work would therefore be work-for-hire) and to negotiate over whether and on what terms to license the retention of that contribution as an integral part of the collective work that has been archivally republished in its original or revised form.

Most publishers' continued ability to make their collective works accessible electronically with any kind of completeness and integrity depends, therefore, on the result of this case in this Court. If the Second Circuit's decision stands, existing comprehensive archives will fall, and historians, researchers, scholars, journalists and society at large will no longer have meaningful access to the rough draft of the nation's history contained in back issues of the nation's newspapers and magazines. A generation of journalists, students and researchers will have to re-learn the old method of traveling to a brick- and-mortar library, if they are lucky enough to live near one that still retains paper archives of the magazines and newspapers they want to review.

ARGUMENT

THE SECOND CIRCUIT'S DECISION THAT AN ELECTRONIC OR ARCHIVAL VERSION OF A NEWSPAPER OR MAGAZINE IS NOT THE WORK ITSELF OR A REVISION OF IT WILL GRIEVOUSLY AND GRATUITOUSLY HARM THE PUBLIC INTEREST

A. The Second Circuit's Decision Necessarily Will Force Newspaper and Magazine Publishers To Remove Articles by Freelancers from Electronic Archives and Degrade an Important Public Resource.

1. Newspapers and magazines are written for today, but are also valuable for tomorrow. The economic cost of producing a newspaper like The Washington Post is borne by its subscribers and advertisers on any given day; but it has a continuing importance to the historians and researchers and students who examine it five days, five years, or fifty years from its publication date. That is generally true of the works of *amici* and other periodical publishers; they write for today, but their daily, weekly or monthly editions are used in different ways by the public for years after first publication. The maintenance, completeness, integrity, and accessibility of the archive of the nation's publications is a valuable public asset.

For many years, access to the archived publications of the American press, broadly defined, depended on the work of libraries, the willingness of publications to maintain "morgues" open to the public, and the ability of users to physically travel to and use those libraries and morgues. With the advent of new technologies making libraries of publications available in paperless ways that facilitate availability, access, storage, indexing, and use — the NEXIS service available through the Internet or by dial-up or cable modems, and media such as CD-ROMs, microfilm, and microfiche — the physical library has been replaced by the electronic archive, and old issues are as a result far easier to access and to use. The historian, student, or journalist who wants to see The New York Times's coverage of the Gulf War, or the researcher wanting to use Time Magazine to assess the Reagan Presidency, or the social scientist wanting to review newspapers in Iowa to examine how

communities in the upper Midwest reacted to the outflow of the young to the coasts in the '80s and '90s, no longer need travel to New York or Des Moines. They can access the NEXIS service or its competitors, or obtain a set of CD-ROMs, and work quickly, conveniently, and efficiently. The search engines that allow users to locate individual articles within these electronic copies are simply automated and more efficient versions of the Readers' Guide to Periodicals.

2. The Second Circuit's acceptance of respondents' overly restrictive reading of section 201(c) of the Copyright Act of 1976 undermines this important function and consigns the public to paper copies of publications as the only definitive archive. That result — in an age when collection and maintenance of paper archives is increasingly uncommon, when electronic storage and archiving have become standard, and in the face of the Congressional decision in 1976 to make the copyright law media-neutral — is to the practical advantage of no one, and would greatly harm the public interest. Copyright law has always protected publishers who preserved and distributed paper-printed versions of their newspapers and magazines from claims of copyright infringement by freelance contributors (who are, by custom, typically compensated once, at the time of their initial contribution, for a nonexclusive license that leaves them free to exploit their works in other ways). The Second Circuit, however, would deprive most publishers of that same protection to the extent that they choose to rely on electronic copies.

According to the Second Circuit, publishers of newspapers and magazines risk infringement liability if they publish or republish their works (containing freelance contributions) through NEXIS or comparable means, unless they either withdraw freelance articles before delivering their copy to NEXIS or comparable services, or expressly acquire republication rights. This would be so even though *amici* and, the record shows, defendants, had for many years published in those additional media without complaint.

Under the decision below, for example, electronic publication of law reviews, which typically include student notes (for which written licenses expressly covering electronic rights were unlikely to have been obtained), is not privileged under § 201(c), and publishers who want to avoid liability, and the NEXIS service, must either purge from the published editions on NEXIS all contributions of non-employees (*i.e.*, usually the complete text of law reviews), or find and obtain consents from all past authors of student notes or of any other articles and comments for which they did not obtain express transfers. And just as pieces written by authors who cannot be located will likely be withdrawn from electronic archives, so too CD-ROMs containing back issues will likely be destroyed.

Among the freelance contributions that may have to be purged from the electronic newspaper and magazine archives on which historians, researchers, and students depend will be some of the most important markers of public opinion and sentiment, namely op-ed pieces (other than those written by employee columnists) and letters to the editor. Historians looking back to examine the range of opinion on important public issues — at least prior to the late 1990's, when the Second Circuit's startling reversal of the district court's dismissal of this suit led some publishers to begin to take pains to acquire express rights that they had always understood they already possessed — would have to travel to those cities to find it in archived paper copies; the electronic archives which they have for many years used will no longer dependably be able to retain those parts of their publications on the archives available on NEXIS and its competitors, or on their websites.

Practical reality make it difficult, if not impossible, to go back and obtain authorization from freelance writers for their individual contributions to newspapers and magazines now stored in electronic libraries. Compensation was paid when the pieces were published, and most newspapers and magazines have had no need to retain, much less to update, records of the whereabouts of their freelance contributors. Even if records were available (which they generally are not), the chance that

writers of prior decades remain at the same address is small. The impracticality of locating all freelance contributors, much less negotiating appropriate licenses, is further complicated by the possibility that fractional interests in the copyrights have vested in the authors' heirs and assigns, or been assigned to third parties.

Nor is there any practicable way to negotiate the "appropriate" share of the revenue for the Jane Doe who in 1990 wrote a piece for the travel section of The Los Angeles Times or the Bergen Record. Her article has consistently been available on NEXIS, but because NEXIS has not compiled data on whether particular articles have been downloaded or printed since their electronic publication, no one knows how many times it has been accessed, and no one knows, or can know whether any access resulted from a search to see what those newspapers had published on that day or topic (indicating that the value is attributable to the publisher, not to the freelance contributor) or from a search for Doe's work (suggesting that the economic value is attributable to Doe's own work). If Jane Doe could be found, and if she insisted on payment, it would be impossible reasonably to assess the value to her of the right to retain her work in the copy of that issue in the archive.

Because the Second Circuit predicated direct infringement liability on merely the delivery of the text of a newspaper or magazine to NEXIS (or the republication of a back issue on an optical disk or other storage medium), and seemingly on the continuing *availability* of the text of back issues regardless of whether the freelance writer's work was subsequently requested, accessed, or read by anyone at all, the liabilities faced by the publishers and the electronic libraries could potentially be enormous, and far outweigh the economic value to the publication of retaining any particular freelance article in the archive. The result would likely be decisions by publishers to purge from electronic libraries all articles not written by readily identifiable staff writers, rather than increased compensation to freelance writers for the right to retain previously written works — and an over-broad purging at that, with doubts resolved

against retaining articles of uncertain parentage (was Doe an employee or freelancer in 1981?). The district court record showed that most of the revenue publications obtained from NEXIS result from search fees, associated with a user's search of a file containing a publication's back issues. When withdrawing freelance articles from the file would not likely affect those revenues, while retaining them threatens substantial liability, it is not hard to predict that deletions will follow.

Given these circumstances, the impact of the Second Circuit's decision is lose-lose-lose:

- *Publishers* lose by having to allocate scarce resources to identifying and stripping freelance materials from existing electronic copies and libraries, and lose through the diminution of the public benefit they have been making generally available.
- *Freelancers* lose, since those who would have chosen to have their works remain online without further compensation will nonetheless have their works eliminated from electronic copies and libraries, depriving them of intangible benefits of continued electronic publication and the "free publicity" and boost to personal reputation it offers. That the vast majority of freelancers might prefer continued inclusion in electronic libraries, or on CD-ROM, etc., is of no moment: their works will still be purged, because transaction costs will prohibit most if not all publishers from pursuing the impractical task of finding and striking bargains with freelancers over contributions dating back decades, for which there is no measurable economic value.
- Most importantly, *the public* will lose its convenient access to and attendant ability to search through comprehensive and genuine archived newspapers and magazines.

Moreover, the decision below would likely make matters *worse* than they were before the advent of electronic media.

During the past few decades, as a result of the availability of services like NEXIS, and new storage media like CD-ROMs, many libraries have cleared their shelves of their paper-printed archives of periodicals and reduced their ongoing archival efforts. Storage costs and the fragility of newsprint have spurred increasing reliance on electronic archives, whose accessibility and permanence have been enormously beneficial. The Second Circuit opinion therefore threatens not only the integrity of the historical record, but as a matter of practical fact the accessibility to the historical record too.

The increasing accessibility of back issues in new media has undeniably advanced copyright's goal of "promoting broad public availability" of copyrighted work. *See Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). Historians, researchers of various types, students, and curious citizens are able as never before to access back issues, not just of their own home town papers, but of a wide range of newspapers and magazines throughout the nation. The Second Circuit's decision would destroy that achievement, and turn a comprehensive, accurate, national archive into a collection riddled with holes. Publishers who do strive for completeness and a faithful electronic record, despite all these obstacles, could be exposed to any holdout's whims, giving individual freelancers bargaining power out of all proportion to any real value in any individual work that may have no real public demand at all. The resulting "hole in history" would have a devastating impact on research and study.

If, as the Second Circuit has held, delivery of copies of newspapers and magazines containing freelance contributions to NEXIS (or to other services or archival media) infringes the rights of freelance contributors, then existing archives will likely be perforated, because the contributors cannot as a practical or economic matter be located, and because the risk from not deleting conceivably "infringing" articles far exceeds any economic benefits to publishers of retention. The value of existing complete electronic archives will be sacrificed to the Second Circuit's misreading of § 201(c).

B. The Second Circuit's Decision Has Already Begun To Force Publishers To Remove and Exclude Articles from Electronic Libraries.

The harm that the Second Circuit's cramped reading of § 201(c) will cause to existing and future electronic libraries is evident not only from logic and common sense prediction, although those bases would suffice. *See, e.g., Simon & Schuster, Inc. v. Members of the New York State Crime Victims Board*, 502 U.S. 105 (1991) (prediction that law would deter the writing and publication of certain works); *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994) (prediction that content owners would refuse to license parodic uses). The Second Circuit's decision has *already* caused substantial harm.

Some newspaper and magazine publishers — including The Washington Post — have already responded by removing readily identifiable freelance articles from NEXIS and their electronic archives. Other leading papers and magazines have begun the complex measures necessary to enable the prompt deletion of such articles if this Court affirms.[2]

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[2] Most publications have no easy way to separate freelance contributions from those of staff writers, as the contributions do not have any word or phrase (such as "freelance") that can be easily searched. For them, identification and deletion of freelance contributions would be a time-consuming and expensive matter, requiring, for example, creation of lists of employees and dates of employment from personnel records, and cross-checking all bylines and publication or creation dates against those lists. Because names change and many journalists use different name variants (A. M. Rosenthal is also Abraham M. Rosenthal), much of the necessary work could not be automated. Moreover, the back issues facing purges of freelance articles are not only all those published within three years of commencement of *Tasini* in 1993, but all those published under the Copyright Act of 1976 (effective January 1, 1978), because

(continued...)

The wholesale deletion of freelance articles both eliminates a portion of the past "first draft of history" from the archives most people will rely on, and renders what remains far less useful, because its integrity and therefore reliability is undermined. Persons looking in the NEXIS file for some newspaper or magazine for articles from particular dates, or on particular subjects, would no longer have the opportunity to conduct searches whose results are dependable or accurate: the results of *every search* become questionable, as the results *may* — or may not — provide a true picture of what the publication really covered on that date. Like photographs from the Soviet Union, the results of searches from a purged electronic library are no longer entirely trustworthy or informative: the absence of an article (like the absence of a face from the annual Politburo photograph) may, or may not, be telling.

Some publishers have deleted but on a partial basis. After the electronic service licensees, having been sued in three class actions that followed in the wake of *Tasini*, gave notice of the suits to the content providers who provided the articles in suit, for example, many content providers prophylactically insisted that the electronic services delete *all* articles written by the plaintiffs, not only those identified in the Complaints, so as to avoid any later charges of willful infringement. An alternative approach, but one also likely to result in degraded and incomplete electronic archives, has been taken by the NewsLibrary electronic service, which offered even before the class actions were filed to delete articles on request:

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[2](...continued)
plaintiffs' counsel in *Tasini* and the putative class actions recently filed have asserted a "continuing infringement" theory under which the mere availability of an article on a we site or electronic service (whether or not accessed) is infringing. The plaintiffs in the post-*Tasini* class actions expressly seek to represent all freelance authors creating articles for newspapers and magazines since January 1, 1978. *See* Section E, *infra*.

> We believe that we have the necessary rights to digitize those editions of the newspapers that we have made available online. If you were a freelance writer, rather than a staff reporter or creator of a work made "for hire," and believe that you did not license or otherwise grant all rights to the applicable newspaper in which your article was published, and would like us to remove your work so that third parties cannot read, print, or download it, please notify us . . . .[3]

The immediate harm caused by the Second Circuit's decision is not limited to the disappearance of published articles from electronic libraries; it extends as well to chilling projects aimed at making such data more extensively and accurately available. Many publishers have been examining and beginning to implement plans for expanded digital archives, which would move beyond text to include the kind of reproduction now available only on paper, microfilm, or microfiche. The transition from microfilm to indexed digital formats would be a boon to researchers, enabling them to see replicated images of the original publications and also to search entire archives in minutes using Boolean searches, rather than having to troll through indices, spool through microfilm, and skim articles to find relevant information. The articles located in such searches would be accessible in visual formats that, like the photographic copies presently used in microfilm, replicate the column format, typeface, and other visual incidents of the original publication. Reproduction on this model would preserve virtually all of the features of the original editorial selection and arrangement that first made the newspapers eligible for copyright as collective works.

The Second Circuit's rule seems so sweeping, however, that the mere availability of multiple back issues in a single file

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[3] <www.newslibrary.com/region_pgs/freelance_notice.htm>.

or on a single CD-ROM, searchable in a single convenient search, would be argued to expose the publisher to liability for copyright infringement, regardless of how faithfully the online publication replicates the selection, arrangement, and even the superficial aspects of the presentation of the original issues. Accordingly, if publishers cannot rely on § 201(c), publishers who wish to digitize their archives will have to take a hard second look and may not be able to proceed, because the cost and difficulty of identifying past freelance contributors and purging their contributions, and the potential cost of suits brought by such authors, may make digitization impracticable.

C. Online Publication Is Part of First Publication, and a Decision Treating Only Paper Publication as First Publication Is Unfaithful to the Copyright Act of 1976.

A further error infecting the Second Circuit's approach is its archaic premise — contrary to the fundamental rule that copyright protects expression, regardless of the "medium of expression," and to Congress's strenuous effort to make copyright law enacted in 1976 medium-neutral — that the "collective work" to which § 201(c) refers is solely the paper version of a newspaper or magazine, with electronic publication protected, if at all, only as a "revision" or "subsequent" work under § 201(c). That error is of particular concern to *amici*, as it misstates the realities of even current publication practice (and surely practices to come). Correcting that erroneous premise would ineluctably result in reversal of the judgment below. It is vital to realization of Congress's vision to recognize that the newspapers and magazines published by *amici* and their competitors are already being published *simultaneously* in multiple media, paper and electronic — and thereby published well within the protection Congress afforded to the publisher of a collective work for publication of "that particular collective work" itself.

The courts below may have been led astray by evidence that, as of some time in the mid-1990's, Sports Illustrated was released to NEXIS "some 45 days later" than the print publication. *Tasini v. New York Times Co.*, 972 F. Supp. 804,

812 (S.D.N.Y. 1997), *rev'd*, 206 F.3d 161 (2d Cir. 1999). Whatever the record may have shown about Sports Illustrated's electronic publication then, however, the reality for most newspapers and magazines today is that electronic publication — on NEXIS or its competitors, or even on the periodical's website — usually occurs on the same day as print publication. This is the case, for example, with The New York Times and hundreds of other newspapers, which on the day of first paper publication are also available online, on NEXIS and other platforms as well.

The decision below treats electronic editions, even if initially published on the same day as the paper editions, as neither "that particular collective work" nor a "revision of that collective work," and apparently considers the inclusion of freelance contributions from the paper edition of the collective work together with staff work to be infringing if the electronic edition is available in an electronic library or together with back issues or with issues of other publications. *See Tasini*, 206 F.3d at 167-69. The Second Circuit drew that deeply flawed conclusion from the fact that the electronic editions published on NEXIS (or other electronic services), even if published simultaneously with paper issues, share various disabling characteristics that it believed independently disentitle publishers from relying on § 201(c): the electronic editions are not identical to the paper edition, and they are searchable together with other periodicals and back issues of the same periodical.

Given Congress's focused effort to render the copyright law medium-neutral, *see* 972 F. Supp. at 818, and the fact that protection is afforded for expression, regardless of the medium in which it is embodied, it is hard to understand the panel's reasoning. Why should a newspaper's acquisition from a freelance author of the right to publish an article in its May 1 edition not extend to both the paper and electronic editions, absent some express agreement otherwise? Today's New York Times is today's New York Times regardless of whether it is the early edition, the late edition, or an electronic edition. A reader who asks her colleagues at lunch "Hey, did you read that

editorial in The Miami Herald about the election today," is communicating quite effectively about a particular article in a particular publication, and it matters not a whit to her accuracy, to her colleagues, or to copyright law whether she was reading on newsprint or a computer screen.

The Second Circuit's decision superimposes on this reality an outmoded legal fiction — the artificial sequence of "first publication" and "electronic republication." Nothing in the legislative history of copyright revision and the carefully constructed compromises which underlie it, including in particular the compromise that underlies § 201(c), suggests that Congress intended the Copyright Act to be construed in a way so divorced from practices in the copyright industries. (To the contrary, the influential final House Report emphasizes the publishers' right to "republish" the collective work, and even to republish a freelance contribution in a "revision" of that collective work published ten years later. H.R. Rep. No. 94-1476, at 122 (94th Cong., 2d Sess., 1976).) And nothing in the text of the Copyright Act, including its definition of "collective works" and its provision of copyright protection to "expression" rather than to material objects, supports restricting the § 201(c) privilege to paper publication or rendering it inapplicable to the same collective works that are published electronically, even if somewhat abridged.

D. Electronic Services Are Created and Used as Complete Electronic Libraries.

Refusing to view NEXIS as an electronic library and insisting on viewing it from the point of view of end-users rather than publishers, the decision below is particularly insupportable because it ignored the key facts that render the library analogy appropriate. The compromise that underlies § 201(c), separating what publishers of collective works may do from what they need further authorization to do, afforded them a broad right to exploit their collective works (short of either

cherry-picking or revising particular freelance selections).[4] It was therefore error to ignore what the publishers actually do with the collective works and to look, instead, at what end-users do.

The licenses publishers enter into with electronic libraries like NEXIS are not comparable to those that Congress said would be beyond the rights afforded by § 201(c), namely licenses for new anthologies of disaggregated articles (*e.g.*, such new anthologies as "Best Newspaper Articles of 1999" or "50 Best Recipes from the Los Angeles Time Home Section"). Under their agreements with the electronic services, publishers license their collective works, not individual articles piecemeal; they transmit those collective works (slightly abridged), issue by issue, day by day; and the electronic libraries thereupon upload the collective work, issue by issue, to the electronic archives. The electronic libraries store and index those collective works. The publishers and the electronic libraries to whom they entrust their collective works should not be menaced with damages (potentially up to $150,000 per article) based on a premise — that the publishers license disaggregated articles, rather than the collective works to which § 201(c) applies — that has no basis in fact.

Electronic services pay periodical publishers for the use and availability of their collected periodicals. They are uninterested in acquiring selected articles — to the contrary, they

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[4] As the Court noted in *Stewart v. Abend,* 495 U.S. 207, 225 (1990), "each provision of 1976 Act was drafted through series of compromises between interested parties," and courts properly should enforce those compromises as reached, rather than try to look through them for overarching "principles." We agree with the petitioners' reading of the legislative history as fully supporting what the statutory language affords, a broad privilege for publishers to exploit their collective works by reproducing or distributing the collective work and "*any* revision" of it.

market the availability of the full text of leading newspapers and magazines — and do not adjust their arrangements depending on whether a newspaper's content, on any given day or even in any given year, contains some "more valuable" article. Hollywood licenses individual articles (the film *Saturday Night Fever,* for example, was famously based on an article in New York Magazine), and freelancers typically have reserved those rights for such further exploitation. Electronic libraries, by contrast, acquire collective works as a whole, not the skimmed cream that might be particularly lucrative. Just as payments for a newspaper on microfilm are for the collective work as a whole, payments reflect the presence of a publication in the library — for example, a search in The Atlanta Journal-Constitution file — not the reader's choice to study one article within the publication rather than another.

In a brick-and-mortar library, patrons pay (through taxes, entrance or membership fees or tuition) for the privilege of entering, perusing the contents, and possibly borrowing — not for the right to own or even to access specific volumes, as they do in a bookstore. A library could charge its patrons a fee for entering one room, or a different fee for entering multiple rooms. Electronic services like NEXIS are libraries that charge their readers on this basis. In NEXIS, for example, there is a New York Times file that one can search for a fee; another file for the Washington Post, searchable for another fee; and other files that aggregate the individual papers and are priced accordingly. The fees paid by users generally depend on usage of a file, and do not distinguish, for example, an op-ed piece by staff columnist William Safire or an article by staff writer Linda Greenhouse, on the one hand, from a stringer's 200 word report on a college football game, on the other.

The electronic services, in turn, pay a percentage of the entrance fees collected from patrons to the publishers who provide their periodicals to the electronic library. In the NEXIS system described to the district court, for example, these payments are not tied to the uses that the public makes of the individual works that constitute each file; fees were set for

searching a given file, and, if anything was printed or downloaded, for the fact that some article (it did not matter which) from some given newspaper or magazine was printed or downloaded.

Similarly, as to CD-ROMs, payment is based not on use of individual works — indeed, there would be no possible way to gather that information. Rather, publishers receive a portion of the gross revenue from the CD-ROM library disks licensed to subscribers at prices which reflect the value of the aggregated collective works.

In short, publishers are engaged in the conduct that Congress said was within the protection afforded them by § 201(c) — making use of their collective works — and *not* in the revision of freelance contributions and cherry-picking (licensing of individual works in contexts divorced from the collective work) that Congress agreed would remain outside that protection. There are, undoubtedly, reproductions and distributions that publishers of collective works *could* make of individual contributions that would lie outside the privilege afforded by § 201(c), but licensing electronic publication of the collective work as a whole (or in a shortened — *i.e.*, revised — version) is not one of them.

E. Neither the Second Circuit's Nor the National Writers Union's Proposed "Solutions" Would Avert Wholesale Deletions from Electronic Libraries.

The Second Circuit justified its holding in part by stating that publishers and freelance authors "are free to contract around the statutory framework." *Tasini*, 206 F.3d at 170. That solution would do nothing to rescue existing electronic archives; as noted above, publishers often lack the necessary information to even locate their past freelance contributors (particularly for contributions between 1978 and 1993), the value of old freelance contributions is difficult to measure, and the transaction costs of reaching new agreements for maintaining old work in archives would swamp any economic benefit in doing so.

The "Publications Rights Clearinghouse" ("PRC") created by the National Writers Union would be no more effective in avoiding wholesale degradation of existing archives. Most importantly, only a tiny fraction of authors have joined the National Writers Union and/or engaged the PRC as their agent, so that a publisher's cooperation with it affords wholly insufficient protection to justify *not* removing the freelance articles that economic prudence would dictate removing. (Indeed, Contentville.com, which agreed to participate in the NWU's PRC, has nonetheless been sued for enormous damages by The Author's Guild in one of the post-*Tasini* class actions.) Absent a legislative solution, no voluntary clearinghouse can provide sufficient protection to preserve existing archives.

Given its substantial under-inclusiveness, it is fair to view payments under the NWU's scheme as protection payments (participate and our attorneys won't sue you), not the kind of rational license structure that would give a publisher sufficient confidence to forego wholesale deletion of (arguably) freelance articles from existing archives if the Second Circuit's judgment were to be affirmed.

Nor do the three lawsuits recently brought by various writers, seeking to represent classes of all freelance writers, afford a basis for averting destruction of existing archives (or a rational mechanism for allocating royalties to freelance writers on an ongoing basis, a problem that would properly be addressed by a legislative solution, not a judicial one).[5] If

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[5] *Laney v. Dow Jones & Company, Inc.*, 00 Civ. 769 (D. Del.); *The Authors Guild, Inc. v. The Dialog Corp.*, 00 Civ. 6049 (S.D.N.Y.); and *Posner v. Gale Group, Inc.*, 00 Civ. 7376 (S.D.N.Y.). On December 6, 2000, the actions were transferred to New York City for coordinated pretrial proceedings by the Joint Panel on Multidistrict Litigation.

Each complaint alleges that the inclusion of plaintiffs' works on defendants' electronic services, through the inclusion

(continued...)

Tasini were affirmed, *amici* and other publishers will take steps to reduce liability immediately, including by deleting identifiable freelance articles from existing archives to the extent possible. It is hard to imagine that risk-reducing protection being foregone in the "hope" that a class would be certified and that a loss to the entire class allowing archive preservation at a tolerable cost would follow.

Because of the intractable problems of information and valuation addressed above, class action litigation in this setting (where total revenues received by publishers from electronic libraries makes plain that any realistic notion of economic damage for any given article would be pennies) will hasten the process of disassembling the nation's historical archive that began when the Second Circuit upset a 21-year old understanding of the meaning of § 201(c) of the 1976 Copyright Act. Class action litigation in the wake of the Second Circuit's removal of § 201(c) protection is highly unlikely to produce a rational way to pay freelance writers for the availability of their contributions in electronic libraries, even assuming that such

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[5](...continued)
of newspaper and magazine issues, constitutes willful infringement. Each seeks, in addition to injunctive relief, awards of statutory or actual damages regardless of whether any user has accessed any specific article by any of the countless purported class members, and despite the fact that the electronic libraries like NEXIS have obtained rights to those back issues only through contractual arrangements with reputable publishers who have represented and warranted that they have rights to their contents and that use by the electronic services would not violate the rights of any third parties. (And, of course, the publications in turn typically paid for what they and the authors understood to be nonexclusive licenses applicable to all media). These putative class actions show that the Second Circuit's decision threatens publishers and the electronic services through whom they electronically publish with potentially bottomless liability.

availability is infringing. It is certain, however, to generate hydraulic pressure to delete freelance contributions from electronic libraries.

CONCLUSION

Because the Second Circuit's decision threatens the vital public interest in access to the complete national historical record as reported by the nation's newspapers and magazines and made available through such services as NEXIS and such electronic media as CD-ROMs, and wholly misreads § 201(c) and the congressional judgment that underlies it, the judgment below should be reversed.

Respectfully submitted.

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ADDENDUM

Advance Publications, Inc., directly or through its subsidiaries, publishes daily newspapers in 22 cities and business journals in 37 cities throughout the United States, as well as 18 magazines with nationwide distribution and numerous World Wide Web sites.

Belo Corp. is a media company with a diversified group of broadcasting, newspaper publishing, cable and interactive media assets. Belo owns 17 television stations; six cable news channels; and three television stations managed through local marketing agreements. Belo publishes five daily newspapers, including *The Dallas Morning News*, *The Providence Journal*, and *The Press-Enterprise* (Riverside, CA).

Buena Vista Magazines, Inc., a subsidiary of The Walt Disney Company, publishes the *FamilyFun, Disney Adventures,* and *Discover* magazines.

The Copley Press, Inc. publishes *The San Diego Union-Tribune* and other newspapers in California, Illinois, and Ohio, ranging from a small desert semi-weekly, to a large metropolitan daily, all of which have relied throughout their history on freelance contributors.

Cox Newspapers, Inc. (CNI) is a subsidiary of Cox Enterprises Inc. (CEI), a diversified media company. CEI publishes the *Atlanta Journal and Constitution*, much of the content of which is compiled, reproduced and distributed in various forms including microfilm, CD-ROM and on Cox Interactive Media's ("CIM's") *AccessAtlanta* website. CEI and CNI subsidiaries publish 18 daily and 25 weekly newspapers in Colorado, Florida, North Carolina, Ohio and Texas, much of the content of which is compiled, reproduced and distributed in various forms, including microfilm, CD-ROM and on CIM's local websites.

Donrey Media Group publishes 11 daily newspapers from North Carolina to Hawaii, including the Las Vegas, Nevada, Review-Journal.

Dow Jones & Company, Inc. publishes, *inter alia*, *The Wall Street Journal*, *Barrons* magazine, and other periodicals, and, through its Ottaway Newspapers, Inc. subsidiary, a number of daily and weekly community newspapers.

The E.W. Scripps Company operates, *inter alia*, 20 daily newspapers and United Media, a worldwide syndicator and licensor of news features and comics.

Freedom Communications, Inc., based in Irvine, California, is a diversified media communications company with holdings in newspapers, broadcast television stations, Internet media and special interest magazines.

Gannett Co., Inc. is a news and information company that publishes 99 daily newspapers in the U.S., including USA TODAY, and a number of non-daily publications, including USA Weekend, a weekly magazine. Gannett's 100-plus web-sites include USA TODAY.com, the number one newspaper site on the Internet. Gannett also owns 22 television stations and a national news service.

Hachette Filipacchi Magazines, Inc. publishes over 20 consumer magazines in the United States, including *American Photo*, *Boating*, *Car and Driver*, *Cycle World*, *Elle*, *Elle Decor*, *Flying*, *George*, *Home*, *Metropolitan Home*, *Mobile Entertainment*, *Popular Photography*, *Premiere*, *Road & Track*, *Showboats International*, *Sound & Vision*, *Travel Holiday* and *Woman's Day*, as well as a number of quarterlies and special publications.

The Hearst Corporation is a diversified privately-held communications company that, *inter alia*, publishes news-papers, consumer magazines and business publications.

Journal Communications Inc. publishes the Milwaukee *Journal Sentinel*.

Knight Ridder publishes 32 daily newspapers in 28 U.S. markets, including the *Aberdeen American News*, *Akron Beacon Journal*, *Belleville News-Democrat*, *The Sun Herald*, *Bradenton Herald*, *The Charlotte Observer*, *The State*, *Columbus Ledger-Enquirer*, *Contra Costa Times*, *Detroit Free Press*, *Duluth*

News-Tribune, *The News Sentinel*, *Fort Worth Star-Telegram*, *Grand Forks Herald*, *The Kansas City Star*, *Lexington Herald-Leader*, *The Macon Telegraph*, *The Miami Herald*, *El Nuevo Herald*, *The Monterey County Herald*, *The Sun News*, the *Olathe Daily News*, *The Philadelphia Inquirer*, *Philadelphia Daily News*, *Saint Paul Pioneer Press*, *San Jose Mercury News*, *San Luis Obispo Tribune*, *Centre Daily Times*, *Tallahassee Democrat*, *The Daily Sun*, *The Wichita Eagle* and *The Times Leader*. It also maintains a national network of 38 city and regional destination sites at www.realcities.com.

Macromedia Inc. is a media company based in Hackensack, NJ which, *inter alia*, publishes The Record (known as the Bergen Record), the Herald News (daily newspapers in northern NJ), 19 community weekly newspapers, and specialty publications.

Magazine Publishers of America, Inc., founded in 1919, is the national trade association of the magazine publishing industry. MPA represents more than 250 of the largest magazine publishers in the United States, who collectively publish more than 1,250 of the best known consumer interest titles, on a weekly, monthly, and quarterly basis.

The McClatchy Company, headquartered in Sacramento, California, publishes 11 daily and 13 non-daily newspapers. Its publications include the *Star Tribune* (Minneapolis, MN), *The Sacramento Bee*, *The News and Observer* (Raleigh, NC), *The Fresno Bee*, *The News Tribune* (Tacoma, WA), and the *Anchorage Daily News*.

News America Inc.'s principal activities, conducted through its subsidiaries and affiliates, include, *inter alia*, publishing magazines and newspapers, including *TV Guide*, *The Weekly Standard* and the *New York Post*. News America Incorporated is indirectly wholly-owned by The News Corporation Limited.

The Newspaper Association of America is a non-profit organization representing more than 2,000 newspapers in the United States and Canada. NAA members account for 87 percent of the daily circulation in the United States and a wide

range of non-daily U.S. newspapers. Many of NAA's members publish newspapers that are available in print, as well as electronically.

Philadelphia Newspapers, Inc. (PNI), a wholly owned subsidiary of Knight-Ridder, Inc., is the publisher of *The Philadelphia Inquirer* and the *Philadelphia Daily News*. The content of both newspapers also is distributed on PNI's *philly.com* website.

PRIMEDIA Inc. owns over 200 print and video businesses including consumer magazines such as *New York*, *Chicago*, *Seventeen* and *Modern Bride*, trade publications such as *Telephony* and *Cable World* and consumer enthusiast titles, including *Sail*, *Horticulture* and *Fly Fisherman*. PRIMEDIA also currently operates more than 200 Internet sites tied to its publications and other information businesses.

Village Voice Media, Inc. and its affiliates publish eight alternative news weeklies nationwide, each of which is distributed in print and electronically. These include *The Village Voice*, *LA Weekly*, *Seattle Weekly*, and Minneapolis *City Pages*.

The Washington Post Company is a diversified media organization whose publications include The Washington Post newspaper, washingtonpost.com, and Newsweek magazine.

Ziff Davis Media Inc. is a leading computer and technology magazine publishing company that publishes, *inter alia*, in print and electronic form, *PC Magazine*, *eWeek, Yahoo!*, *Internet Life*, *Inter@ctive Week, and Expedia Travels.*

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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC., NEWSDAY, INC., THE TIME INCORPORATED MAGAZINE COMPANY, LEXIS/NEXIS, AND UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

-v.-

JONATHAN TASINI, MAY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFLIN, SONIA JAFFE ROBBINS, AND DAVID S. WHITFORD,

Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

BRIEF OF *AMICUS CURIAE* THE NATIONAL GEOGRAPHIC SOCIETY IN SUPPORT OF PETITIONERS

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21 pp

QUESTION PRESENTED

Whether a publisher's reproduction and distribution of its entire periodical not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyrights held by contributing freelance authors.

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INTEREST OF THE *AMICUS*[1]

The National Geographic Society is the world's largest nonprofit scientific and educational organization, with approximately ten million members worldwide. Since its founding in 1888, the Society's mission has been "to increase and diffuse geographic knowledge" in the broadest sense. The Society pursues that mission in a variety of ways, including creating a $100 million foundation to promote geographic education; issuing grants for scientific research and exploration; maintaining an acclaimed Explorers-in-Residence program; conducting national and international geography bees with millions of student participants annually; launching initiatives to increase public awareness and knowledge of geography; and producing and distributing a wide variety of mission-related products, including periodicals, television programs, books, maps and atlases, and classroom products. In recent years, pursuant to a letter ruling sought and obtained from the Internal Revenue Service, the Society has placed several divisions into wholly-owned taxable subsidiaries. All parts of the organization, including these divisions, promote the Society's historic educational and scientific mission, and any and all revenues are used to further that mission.

The Society has a strong interest in this case in its capacity as the publisher of a monthly official journal, *National Geographic* magazine. For many years, the Society has reproduced back issues of the magazine in bound volumes, microfiche, and microfilm. With the advent of CD-ROM technology in recent years, the Society in 1997 produced "The Complete National Geographic," a thirty-disc CD-ROM set

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[1] Pursuant to this Court's Rule 37.6, *amicus* states that no counsel for any party authored this brief in whole or in part, and that no person or entity other than *amicus*, its counsel, or its insurer made a monetary contribution to the preparation or submission of this brief. The parties have consented to the filing of this brief, and letters evidencing such consent have been filed with the Clerk of this Court, pursuant to S. Ct. R. 37.3.

containing each monthly issue of the magazine for the 108 years from 1888 through 1996. The issues appear chronologically, from the earliest at the beginning of the first disc to the latest at the end of the thirtieth disc. There are no changes to the content, format, or appearance of any issue reproduced in the CD-ROM set. Every page of every issue remains as it was in the original print version, including all page arrangements, articles, photographs, graphics, advertising, and attributions. A search engine allows the user to search the index electronically, just as users have long been able to search the magazine's traditional paperbound index.

Recently, the Society has become the target of several lawsuits by freelance authors and photographers who contend that the Society infringed their copyrights by reproducing their contributions to the magazine in the CD-ROM set, even though the plaintiffs authorized the use of their contributions in the magazine and the set reproduces each issue of the magazine exactly as it originally appeared in print. *See Greenberg v. National Geographic Soc'y*, No. 97-3924-CIV, 1998 U.S. Dist. LEXIS 18060 (S.D. Fla. May 14, 1998), *appeal pending*, No. 00-10510-C (11th Cir.) (argued Oct. 3, 2000); *Faulkner (Sally) v. National Geographic Soc'y*, No. 99 Civ. 12488 (S.D.N.Y.); *Ward v. National Geographic Soc'y*, No. 99 Civ. 12385 (S.D.N.Y.); *Faulkner (Douglas) v. National Geographic Soc'y*, No. 97 Civ. 9361 (S.D.N.Y.). The Society has defended these lawsuits on the ground, among others, that 17 U.S.C. § 201(c), the statutory provision at issue here, confers a privilege upon the publishers of collective works to reproduce and distribute an individual freelance contribution to a collective work "as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." Because the Second Circuit dramatically and erroneously narrowed the scope of that statutory privilege, and because most of the pending cases have been filed in that Circuit, the Society respectfully urges this Court to reverse the judgment.

INTRODUCTION AND SUMMARY OF ARGUMENT

The Copyright Act of 1976 strikes a fundamental balance between the interests of freelance authors, on the one hand, and publishers of collective works, on the other: the author owns the copyright in his individual contribution, while the publisher owns the copyright in the overall collective work. The decision below upsets that balance by drastically curtailing the publisher's statutory privilege to reproduce and distribute its collective work in new media, including electronic databases and CD-ROM. The decision thereby violates the bedrock principle that the Copyright Act is medium neutral: it applies *regardless* of the medium (or combination of media) in which a work is expressed. The publisher of a printed newspaper like *The New York Times*, a paperbound journal like *National Geographic* magazine, an online magazine like *Slate* or *Salon*, or any other collective work is entitled to reproduce and distribute that collective work in any medium (or combination of media) it chooses: newsprint, electronic databases, microfilm, microfiche, CD-ROM, or even other media not yet invented. Technological developments may allow collective works to be stored, retrieved, and searched in new ways, but such developments do not strip publishers of their statutory privilege to reproduce and distribute their collective works.

The error below stems from a flawed approach to statutory construction. The Copyright Act authorizes the publisher of a collective work to reproduce and distribute an individually copyrighted contribution "as part of [1] that particular collective work, [2] any revision of that collective work, and [3] any later collective work in the same series." 17 U.S.C. § 201(c). The Second Circuit construed these three categories "narrowly" as mutually exclusive, limited in scope by their order, and confined to particular factual examples devised by the court. Pet. App. 10a-13a. That interpretation has no basis in law or logic: there are no canons of construction that statutory categories must be read as mutually exclusive, that the order of such categories limits their scope, or that such

categories may be confined to particular factual examples. The three categories in the statute simply describe three different uses of contributions to collective works, and the Second Circuit erred by forcing all three into a wholly artificial construct. Applying the plain meaning of the statute, all three categories authorize publishers to reproduce and distribute collective works in new media, just as petitioners have done here. Because the Second Circuit concluded otherwise, the judgment should be reversed.

ARGUMENT

THE SECOND CIRCUIT ERRED IN INTERPRETING AND APPLYING SECTION 201(C).

The Second Circuit's decision is based upon the premise that each of the three categories set forth in section 201(c)—(1) "that particular collective work," (2) "any revision of that collective work," and (3) "any later collective work in the same series"—must be "narrowly" construed as mutually exclusive, limited in scope by their order, and confined to particular factual examples devised by the court. Pet. App. 10a-13a. That premise is mistaken, and led the Second Circuit to transform these broad and overlapping categories into narrow pigeonholes separated by substantial gaps.

The court below began with the unremarkable proposition that "[t]he meaning of particular phrases must be determined in context," Pet. App. 10a (internal quotation omitted), and thus "the second clause must be read in the context of the first and third clauses," *id.* The court, however, took that proposition to mean that each category should have a meaning separate and independent from the others. The court thus proceeded to describe the first category as a "floor," the third category as a "ceiling," and the second category as somewhere in between. *Id.* To prevent the categories from overlapping, the court limited the first category to "a specific edition or issue of a periodical," the second category to "later editions of a particular issue of a periodical, such as the final edition of a

newspaper," and the third category to "a new edition of a dictionary or encyclopedia." *Id.* at 10a, 11a.

The plain language of the statute provides no basis for thus narrowing the categories. The principle that statutory terms should be construed "in context" does not mean that their scope should be construed as mutually exclusive. To the contrary, Congress often sets forth lists of overlapping terms or categories precisely to *avoid* any gaps in coverage. The aiding-and-abetting statute is a good example: it punishes a person who "aids, abets, counsels, commands, induces, or procures" a federal crime. 18 U.S.C. § 2. No one would seriously argue that it was necessary (or even possible) to devise a meaning for "aids" that does not overlap with "abets." Such a "belt-and-suspenders" approach is common throughout the U.S. Code. *See, e.g.*, 29 U.S.C. § 1144(d) (ERISA's preemption provision shall not be construed to "alter, amend, modify, invalidate, impair, or supersede" any other federal law). Indeed the Copyright Act itself is replete with overlapping terms. *See, e.g.*, 17 U.S.C. § 101 ("'Literary works' are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied"); 17 U.S.C. § 102(b) ("In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery"). The Second Circuit's assumption that Congress intends a series of statutory words or phrases to be mutually exclusive is especially incongruous in this case, where Congress linked the three categories in section 201(c) with the conjunctive "and," rather than the disjunctive "or," indicating that a given publication could fall within more than one category of the collective-works privilege.

This approach does not challenge the canon of construction (invoked by the Second Circuit, *see* Pet. App. 12a) that courts should give some effect to every word in a statute if possible.

See, e.g., Bailey v. United States, 516 U.S. 137, 145-46 (1995). That canon simply provides that courts should try to avoid *complete* overlap between statutory terms or phrases, on the theory that Congress does not enact superfluous words into law. *See id.* But there is no basis in law or logic to stretch that canon, as the Second Circuit did here, to mean that courts should try to avoid *any* overlap between statutory words or phrases. To the contrary, as noted above, Congress often seeks to *avoid* statutory gaps by using overlapping terms, so it would be perverse for courts to *create* such gaps by artificially narrowing those terms.

Nor is there any merit to the Second Circuit's assertion that the three categories of the collective-works privilege must be construed "narrowly" because they form an "exception to the general rule that copyright vests initially in the author of the individual contribution." Pet. App. 12a. Section 201(c) represents a compromise between the rights of freelance authors and the rights of publishers of collective works, and the statutory privilege conferred upon the publishers is no less integral a part of the statutory scheme than the ownership rights conferred upon the authors. *See, e.g.*, H.R. Rep. No. 1476, 94th Cong., 2d Sess. 122 (1976) (noting that section 201(c) "represents a fair balancing of equities" between freelance authors and publishers, and that the publishers' privilege is the "essential counterpart" of the authors' rights). To construe the publishers' privilege "narrowly" would be to upset the balance established by Congress. *See, e.g., Rodriguez v. United States*, 480 U.S. 522, 525-26 (1987) (noting that a statute's purpose is reflected as much in the scope of its limitations as in the scope of its coverage); *Board of Governors of the Fed. Reserve Sys. v. Dimension Fin. Corp.*, 474 U.S. 361, 373-74 (1986) (same).

The Second Circuit thus erred by interpreting the collective-works privilege of section 201(c) solely by reference to the "context," rather than the plain meaning, of the statutory text. There is no reason to conclude that Congress intended the three categories of section 201(c) to mean anything other than what

they say, and in particular to be construed "narrowly" as mutually exclusive, limited in scope by their order, and confined to the particular examples devised by the court. To the contrary, as explained below, the plain meaning of those categories reveals them to be broad and overlapping.

A. "That Particular Collective Work"

The Second Circuit characterized the first category ("that particular collective work") as the statutory "floor," limited to "a specific edition or issue of a periodical." Pet. App. 10a. That characterization reflects an unduly narrow interpretation of this category.

There is nothing in the statute that limits a publisher's privilege to reproduce and distribute a "particular collective work" exclusively to the "specific edition or issue of a periodical" in which that work originally appeared. *Id.* Under the statute, a publisher is entitled to reproduce and distribute an individual freelance contribution as a part of a "particular collective work" *regardless* of the medium (or combination of media) in which that collective work originally appeared. The privilege, after all, is not limited to "that particular collective work in the particular medium originally published"; to the contrary, the scope of copyright protection of a collective work (or any other original work of authorship) is neutral as to the medium of expression. *See* 17 U.S.C. § 102(a) ("Copyright protection subsists . . . in original works of authorship fixed in *any* tangible medium of expression, *now known or later developed*, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.") (emphasis added); *Matthew Bender & Co. v. West Publ'g Co.*, 158 F.3d 693, 702-703 (2d Cir. 1998) (noting that copyright protection does not "'depend upon the form or medium in which the work is fixed'") (quoting H.R. Rep. No. 94-1476, at 52 (1976)); *M. Kramer Mfg. Co. v. Andrews*, 783 F.2d 421, 432-433 (4th Cir. 1986) ("[C]opyright protection is granted 'in original works of authorship fixed in any tangible medium.'") (quoting 17 U.S.C. § 102(a)); *Apple*

Computer, Inc. v. Franklin Computer Corp., 714 F.2d 1240, 1248 (3d Cir. 1983) ("Under the statute, copyright extends to works in any tangible means of expression"). Accordingly, the publisher can reproduce and distribute an individual freelance contribution in *any* medium (or combination of media) as long as that contribution remains part of the "particular collective work" in which it originally appeared.

"The Complete National Geographic" published by *amicus* provides a good example of a "particular collective work" reproduced in a new medium. That product consists of all issues of *National Geographic* magazine from 1888 to 1996 in a thirty-disc CD-ROM set. This new medium offers several advantages over the original paperbound journals, including the ability to store large amounts of information in a small amount of space and electronic searching capability. *See, e.g., Matthew Bender & Co.*, 158 F.3d at 697 n.4. Because the CD-ROM reproduction is image-based, every page of every issue remains precisely as it was in the original paperbound version, including all page arrangements, articles, photographs, graphics, advertising, and attributions. Under these circumstances, the Society has not exploited any individual contribution separate and apart from the "particular collective work" in which it originally appeared; the entire "particular collective work" has simply been reproduced in the medium of CD-ROM, just as it has long been reproduced (without challenge) in the media of microfilm and microfiche. Because copyright law, as noted above, is medium-neutral, the Society does not lose its statutory privilege to reproduce and distribute the original paperbound issues of *National Geographic* magazine in any of these other media.

That conclusion is the same regardless of whether each issue of *National Geographic* magazine is reproduced on its own CD-ROM disc, or whether multiple issues are grouped together on a single disc. As noted above, one of the key advantages of CD-ROM technology is the ability to reproduce vast amounts of information in a very limited space: a collection of

paperbound magazines that would have taken up a large room now fits comfortably onto thirty discs in a small box. Each individual contribution remains part of the "particular collective work" in which it originally appeared, even though that "particular collective work" is reproduced alongside other collective works on a single disc. A "particular collective work," in other words, does not cease to exist when grouped with other collective works. This is, in essence, no different than putting together multiple paperbound issues of *National Geographic* magazine in a bound volume, or reproducing multiple issues of the magazine together on a single roll of microfilm or a single sheet of microfiche, which the Society has been doing for years. Nothing in the Copyright Act prevents publishers from taking advantage of the technological benefits of other media.[2]

Nor does it matter whether the CD-ROM set itself, or any individual disc within that set, is deemed to be a new collective work or compilation. An individual contribution is no less a part of a "particular collective work" if that collective work in turn becomes part of an even larger collective work. One collective work can form part of another collective work, just as a Sunday magazine forms part of a Sunday newspaper. The creation of a new collective work (whether or not copyrightable or copyrighted in its own right) is simply not inconsistent with the preservation of the "particular collective work" in which an individual freelance contribution originally appeared.

The Second Circuit, however, reached a different conclusion with respect to the General Periodicals OnDisc CD-ROM,

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[2] As long as the individual contribution remains in the "particular collective work" in which it originally appeared, in fact, it does not matter *what else* appears alongside that "particular collective work" in a new medium. Given the recent advances in DVD technology, for example, the Society could reproduce an issue of the magazine on a single disc along with television programs and/or lectures on the same topics as the articles in that issue. Similarly, the Society could reproduce back issues of the magazine on its website, even though the website also includes substantial other materials.

which includes exact image-based reproductions of *The New York Times* Sunday book review and magazine sections. *See* Pet App. 5a, 16a. The court held that the statutory privilege did not apply to that product because "it also contains articles from numerous other periodicals," and thus "is at best a new anthology." *Id.* at 17a. In this regard, the ostensibly textualist court relied on a passage in the legislative history stating that section 201(c) was not intended to authorize a publisher to "include [an individual contribution] in a new anthology." H.R. Rep. No. 94-1476, at 122-23 (1976). But that passage simply makes the point that a publisher cannot *remove* an individual freelance contribution from a "particular collective work" and include it in a "new anthology"; contrary to the Second Circuit's apparent belief, the passage does not state that a publisher cannot include a "particular collective work" in its *entirety* in a "new anthology." Thus, even if a given CD-ROM disc or set (or a bound volume, roll of microfilm, or sheet of microfiche) is characterized as a "new anthology," there is no basis for holding that a "particular collective work" ceases to be a "particular collective work" simply because it is grouped with other materials. The legislative history's reference to a "new anthology" does not compel a reading of the statute that strips publishers of their statutory privilege to reproduce their collective works in new media just because those media allow the aggregation of multiple collective works.

The Second Circuit also placed undue reliance on the search capability of new media. In particular, the court asserted that a user's ability to "retriev[e articles] according to criteria unrelated to the particular edition in which the articles first appeared" strips a publisher of the statutory privilege. Pet. App. 16a. However, a "particular collective work" does not cease to be a "particular collective work" just because it is reproduced in a new medium that makes it easier for a user to search for individual contributions. Every medium offers its own advantages and disadvantages. As long as an individual freelance contribution remains in the "particular collective work" in which it was originally published, the relative ease of

searching that "particular collective work" is immaterial. Microfilm and microfiche, for example, may be easier to search than books, but that does not remove those media from the scope of the privilege. The search engine of a CD-ROM is essentially the same as the index to a collection of paperbound magazines; indeed, the search engine of "The Complete National Geographic" CD-ROM searches an electronic version of the traditional paperbound index, rather than the full text of individual articles. Surely, the Society did not lose its privilege to reproduce its collective works the first time it published an overall index to its paperbound magazines, and thereby rendered them easier to search. The relative ease of searching is simply irrelevant to the scope of the statutory collective-works privilege.

B. "Any Revision of That Collective Work"

The Second Circuit next characterized the second category ("any revision of that collective work") as a no-man's-land between the statutory "floor" and "ceiling," limited to "later editions of a particular issue of a periodical, such as the final edition of a newspaper." Pet. App. 10a. Again, that characterization reflects an unduly narrow interpretation of this category.

There is nothing in the statute that limits a publisher's privilege to reproduce and distribute "any revision of that collective work" exclusively to "later editions of a particular issue of a periodical, such as the final edition of a newspaper." *Id.* To be sure, a later edition of a newspaper is an *example* of a "revision," but it does not remotely exhaust the category. A "revision" of a publication is "a new, amended, improved, or up-to-date version of" that publication. *Webster's Third New Int'l Dictionary* 1944 (1976). And the statute extends the broad word "revision" to its broadest limits by modifying it with the word "any." *See, e.g., Citizens' Bank of La. v. Parker*, 192 U.S. 73, 81 (1904) ("The word any excludes selection or distinction. It declares the exemption without limitation."). As the district court below pointed out, there is no basis for

assuming that "any revision" is limited only to *minor* changes; a "revision" can be either major or minor in scope. Pet. App. 58a-61a, 72a. The statute thus allows publishers to revise their overall collective works without fear of incurring copyright liability to the authors of individual freelance contributions.

Again, "The Complete National Geographic" published by *amicus* provides a good example. Even assuming that the Second Circuit were correct that a "particular collective work" is limited to the "specific edition or issue of a periodical" in which that work originally appeared, the transfer of that issue to a new medium (like CD-ROM) would at most amount to a "revision" of the issue. Again, that conclusion is not altered by the fact that multiple issues can be transferred onto a single CD-ROM disc (a key advantage of CD-ROM technology): a "revision" is no less a "revision" just because it is placed in a new medium in which it is joined with other "revisions." Indeed, the district court in *Greenberg,* relying on the district court's opinion in this case, concluded that "The Complete National Geographic" was a "revision" of the original paperbound issues of the magazine, and thus rejected a claim of copyright infringement. *See Greenberg v. National Geographic Soc'y*, No. 97-3924-CIV, 1998 U.S. Dist. LEXIS 18060, at *7-10 (S.D. Fla. May 14, 1998), *appeal pending*, No. 00-10510-C (11th Cir.).

The Second Circuit sought to justify its narrow interpretation of "any revision" by asserting that a broader interpretation would render "superfluous" the third statutory category permitting the reproduction and distribution of an individual freelance contribution as part of "a later collective work in the same series." Pet. App. 12a. That assertion is baseless. The second category allows publishers to *revise* their collective works without losing the privilege to reproduce and distribute individual freelance contributions, while the third category allows publishers to *remove* individual freelance contributions from their original collective work altogether and place them in new collective works in the same series. For example, as

noted below, the third clause would allow a publisher to "reprint a contribution from one issue in a later issue of its magazine," even though the later issue was not a "revision" of the original. H.R. Rep. No. 94-1476, at 122-23 (1976). To give the "any revision" language its ordinary meaning (well beyond "later editions of a particular issue of a periodical, such as the final edition of a newspaper," Pet. App. 10a), would in no way threaten to swallow up the "same series" category.

C. "Any Later Collective Work in the Same Series"

Finally, the Second Circuit characterized the third category ("any later collective work in the same series") as the statutory "ceiling," limited to "a new edition of a dictionary or encyclopedia." Pet. App. 10a-11a. Yet again, that characterization reflects an unduly narrow interpretation of this category.

There is nothing in the statute that limits a publisher's privilege to reproduce and distribute "any later collective work in the same series" exclusively to "a new edition of a dictionary or encyclopedia." *Id.* To the contrary, the legislative history specifically characterizes a new edition of an encyclopedia as a "revision": "[A] publishing company . . . could reprint an article from a 1980 edition of an encyclopedia in a 1990 *revision* of it." H.R. Rep. No. 94-1476, at 122-23 (1976) (emphasis added). The word "series" is not limited to dictionaries or encyclopedias, but rather encompasses "a number of successive parts or volumes of a periodical publication." *Webster's Third New Int'l Dictionary* 2073 (1976).

Again, to the extent that a CD-ROM collection (or a bound volume, microfilm, or microfiche version) of a particular magazine is deemed to be a "new" collective work, it is entirely plausible to characterize it as a "later collective work in the same series," *i.e.*, that particular magazine series. As noted above, the legislative history specifically contemplates that section 201(c) allows a publisher to "reprint a contribution

from one issue in a later issue of its magazine." H.R. Rep. No. 94-1476, at 122-23 (1976). There is no reason why a single "series" must be limited to a single medium: a magazine could certainly decide to publish half its circulation in paperbound format and the other half in CD-ROM format. As long as the series involves the same magazine, the medium of publication is irrelevant.

Indeed, it makes no sense to think that Congress meant to allow publishers to reproduce an individual freelance contribution in an entirely new edition of an encyclopedia, or an entirely different issue of a particular magazine, but did not mean to allow publishers to reproduce their collective works in *precisely identical format* in a new medium like CD-ROM. Needless to say, the differences between a new edition of an encyclopedia, or a different issue of a particular magazine, are far more substantial in scope and materiality than any difference between a particular issue of a magazine printed on paper and reproduced on CD-ROM. The Second Circuit's ostensibly textualist approach thereby not only ignores the statute's plain meaning, but also creates anomalies that should not lightly be attributed to Congress.

* * *

The decision below represents not only an erroneous and anomalous interpretation of the Copyright Act, but also a radical break with settled understandings. Freelance authors have never before complained about the reproduction of collective works in bound volumes, microfilm, or microfiche. Their current grievance thus appears to be not so much about the longstanding practice of reproducing collective works in new media, but about the fact that recent technological developments like CD-ROM may enhance the commercial value of such reproduction. But the potential value of a particular reproduction has no bearing on the scope of the collective-works privilege, and long-established (and

unchallenged) media of reproduction such as microfilm and microfiche have substantial commercial value.[3]

At bottom, there is no unfairness in a system that grants freelance authors ownership of the copyright in their individual contributions (which they can exploit in any medium they please), while granting publishers ownership of the copyright in their collective works (which they can reproduce in any medium they please). By overturning settled understandings in the publishing industry, the decision below threatens to eradicate newspaper and periodical archives created pursuant to such understandings, and to undermine copyright law's constitutional goal of "promot[ing] the Progress of Science and useful Arts." U.S. Const. art. II, § 8, cl. 8. Needless to say, if Congress intended to upset settled expectations in the manner effected by the court below, it could and presumably would have been far more explicit. *See, e.g., FDA v. Brown & Williamson Tobacco Corp.*, 120 S. Ct. 1291, 1315 (2000); *Jones v. United States*, 526 U.S. 227, 228 (1999).

CONCLUSION

For the foregoing reasons, the judgment of the Second Circuit should be reversed.

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[3] Indeed, there is an entire industry devoted to reproducing newspapers and periodicals in microfilm and microfiche pursuant to licenses with publishers, and such reproductions have substantial commercial value. For example, a set of 170 microfilm rolls reproducing all issues of *National Geographic* magazine since 1888 currently sells for approximately $37,000, and a set of 717 microfiche cards reproducing all issues of the magazine since 1978 currently sells for approximately $3,000. Needless to say, these sums dwarf the current retail price of less than $100 for the thirty-disc CD-ROM set reproducing all issues of the magazine since 1888—which is one reason why CD-ROM technology holds such great promise for expanding the availability of historical archives to the general public.

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IN THE
Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.;
THE TIME INCORPORATED MAGAZINE COMPANY;
LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY;
BARBARA GARSON; MARGOT MIFFLIN;
SONIA JAFFE ROBBINS and DAVID S. WHITFORD,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

BRIEF *AMICI CURIAE* OF KEN BURNS, DORIS KEARNS GOODWIN, RICHARD N. GOODWIN, DAVID M. KENNEDY, DAVID MCCULLOUGH, JACK N. RAKOVE AND GORDON S. WOOD IN SUPPORT OF PETITIONERS

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25 pp

QUESTION PRESENTED

Whether a publisher's reproduction and distribution of its entire periodical not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyright held by contributing freelance authors.

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INTERESTS OF *AMICI CURIAE*[1]

This brief *amici curiae* in support of petitioners is submitted by Ken Burns, Doris Kearns Goodwin, Richard N. Goodwin, David M. Kennedy, David McCullough, Jack N. Rakove and Gordon S. Wood ("*amici*"), pursuant to Rule 37 of the Rules of this Court.

Ken Burns is a filmmaker and author, widely known for his documentaries for public television. Mr. Burns' films include *The Civil War* and *Baseball*, each of which set records for public television viewership. Some of his other films include *Not for Ourselves Alone: The Story of Elizabeth Cady Stanton and Susan B. Anthony*; *Lewis and Clark: The Journey of the Corps of Discovery*; *The Congress*; *Frank Lloyd Wright*; *The Statue of Liberty*; *Brooklyn Bridge*; *Huey Long*; and *Thomas Jefferson*. In addition to his work as a documentarian and biographer, Mr. Burns has also collaborated on several books, including *Jazz: An Illustrated History*; *The Civil War: An Illustrated History*; and *Baseball: An Illustrated History*. Mr. Burns has been nominated twice for an Academy Award and has won numerous Emmy Awards, as well as other honors. Mr. Burns is an active member of the Society of American Historians.

Doris Kearns Goodwin is an historian, commentator and author, widely known for her historical perspectives on American politics and political figures. Ms. Kearns Goodwin is the author of numerous highly-acclaimed biographies, including the 1995 Pulitzer Prize-winning best seller, *No Ordinary Time: Franklin and Eleanor Roosevelt—The Home Front in World War II*. In addition, Ms. Kearns Goodwin has contributed numerous articles on historical, political and

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[1] Letters from all parties consenting to the filing of this brief have been filed with the Clerk of this Court. No counsel for a party authored this brief in whole or in part, and no person or entity other than *amici curiae*, or their counsel, made a monetary contribution to the preparation or submission of this brief.

cultural subjects to publications, including *The New York Times*, *The Atlantic Monthly*, *Life* and *Redbook*. She is a former professor of government at Harvard, and currently serves as a political commentator for NBC and the PBS program, *The News Hour with Jim Lehrer*.

Richard N. Goodwin is a political advisor and commentator as well as an historian and author. Mr. Goodwin served as a speech writer to President Lyndon Johnson and as an advisor to President John F. Kennedy. He has published several successful books on political subjects, as well as contemporary American life and culture, including *Remembering America: A Voice From the Sixties*; *Promises to Keep: A Call for a New American Revolution*; and *The Hinge of the World*.

David M. Kennedy is the Donald J. McLachlan Professor of History at Stanford University and a prolific author whose scholarship spans a wide range of historical subjects. With over ten books and numerous articles to his credit, Professor Kennedy has been awarded a variety of honors and awards, including the 2000 Pulitzer Prize for his comprehensive history of the Great Depression, the New Deal and World War II, *Freedom from Fear: The American People in Depression and War, 1929-1945*. Professor Kennedy is also co-author of *The American Pageant, a History of the Republic*, which is widely used as an undergraduate and high school advanced-placement course textbook.

David McCullough is a well-known biographer, author, historian and scholar. He has written six biographies, including the 1993 Pulitzer Prize-winning, best-selling biography, *Truman*. In addition to the Pulitzer Prize, Mr. McCullough has received several other awards for his contributions to historical scholarship. Mr. McCullough also is active in the historical scholarly community. He serves as the president of the Society of American Historians and is a founding member of Protect Historic America.

Jack N. Rakove is a Professor of Political Science and the William Robertson Coe Professor of History and American Studies at Stanford University. Professor Rakove has written several books on the early American Republic, its politics and political figures, including the biography *James Madison and the Creation of the American Republic*. In 1997, Professor Rakove received the Pulitzer Prize in history for his best-selling book *Original Meanings: Politics and Ideas in the Making of the Constitution*. In addition to his teaching activities at Stanford and as a visiting professor at New York University School of Law, Professor Rakove is an active member of the American Historical Association, the Organization of American Historians, the Society for Historians of the Early American Republic and the Institute of Early American History.

Gordon S. Wood is an historian, author and Professor of History at Brown University, where he has been a faculty member since 1969. Professor Wood also has taught at Harvard University, the College of William and Mary, the University of Michigan and Cambridge University. He is the author of more than 50 publications, including *The Creation of the American Republic*, for which he won the Bancroft Prize in history and the John H. Dunning Prize. In 1993, Professor Wood received the Pulitzer Prize for his book *The Radicalism of the American Revolution*. Professor Wood is a past president of the Society for Historians of the Early American Republic, and he serves on the Board of Trustees for Colonial Williamsburg, Tufts University and the National Council for History Education.

* * * *

As historians, political commentators and authors, *amici* have devoted much of their professional energies to developing, interpreting and analyzing the historical record of this country. As researchers and scholars, *amici* rely heavily on, and the quality of their work is dependent upon, the availability, reliability, accessibility and comprehensiveness

of the nation's electronic repository of back issues of newspapers, magazines, journals and other periodicals. For these reasons, *amici* submit this brief to assist the Court's understanding of the practical effect of the issues at stake in this case.

SUMMARY OF ARGUMENT

The Second Circuit has held that publishers and their licensees cannot lawfully include works of freelance authors who have not explicitly granted the right to publish their individual contributions in electronic libraries or copies of the publishers' collective works. The potential liabilities represented by the lawsuits brought in the wake of the Second Circuit's decision will lead the nation's publishers and their licensees to avoid the risk of copyright infringement liability by deleting freelance contributions currently included in the nation's electronic archives. In an era when libraries and other collecting institutions are rapidly replacing their print and microform archives of newspapers, journals and other periodicals with searchable, full-text electronic counterparts, this result will have unexpected, unprecedented and irreversible consequences for the integrity and accessibility of the historical record and the progress of historical scholarship. Given the significance of this potential outcome, *amici* urge the Court to weigh heavily the likely consequences of the Second Circuit's decision and reverse the judgment below.

Moreover, as framed by the Second Circuit, the central issue in this case is whether electronic journal, newspaper and periodical archives qualify as "revisions" of the collective works in which the freelance authors' contributions first appeared, and are thus privileged under Section 201 of the Copyright Act. In deciding that the electronic versions of these publications are not privileged, the Second Circuit's heavy reliance on the individually searchable and retrievable

character of electronic archives is misplaced in that these characteristics are shared by analog storage media, long viewed as privileged under Section 201. *Amici* also urge the Court to conclude, as did the district court below, that electronic archives are privileged under Section 201 based on the retention of their editorial selection—the element of most value to historians—regardless of whether exact print arrangement is also retained.

ARGUMENT

I. THE SECOND CIRCUIT'S DECISION WILL HAVE THE UNPRECEDENTED AND UNDESIRABLE TWO-FOLD EFFECT OF THREATENING THE COMPLETENESS AND INTEGRITY OF THE NATION'S ELECTRONIC ARCHIVES, AND DECREASING ACCESS TO CONVENIENT, COST-EFFICIENT, COMPREHENSIVE ELECTRONIC INFORMATION RESOURCES.

The impact of digital technology on contemporary society and culture is ubiquitous and ever expanding. For historians, researchers, scholars and students in countless disciplines, the comprehensive, searchable, full-text journal, periodical and newspaper database has become an irreplaceable and priceless resource. The advantages of digital storage and retrieval technology in terms of accessibility, efficiency, reliability and comprehensiveness as compared to traditional analog media (*i.e.*, hard copy bound volumes, microfilm and microfiche) are apparent, and have resulted in the proliferation of electronically available full-text archival resources. These advantages, coupled with the inefficiencies and costs associated with maintaining parallel analog collections of the same archival materials, have led collecting institutions throughout the nation (both big and small) to

reduce significantly their investments in, and reliance on, traditional analog means of information storage and retrieval.

The Second Circuit's decision in this case threatens both the integrity of this nation's historical record and the public's access to it. As a result of the Second Circuit's decision, and contrary to common custom and practice in existence since the advent of electronic media, publishers and their licensees, including but not limited to petitioners, cannot lawfully include past, current or future contributions of freelance authors without first explicitly obtaining rights for further electronic archival publication of their respective contributions. As a direct consequence of the likely expense and practical difficulties of locating and negotiating with individual freelance authors (or their heirs/assigns), publishers will opt to erase the contributions of freelance authors currently included in full-text electronic libraries rather than risk liability for infringement.

A. Electronic Journal, Newspaper and Periodical Archives Provide Unsurpassed Benefits to Historians and Scholars and Thus Have Become Indispensible Research Tools.

The record of our time, as well as that of the past generation, has been and will increasingly become digitized.[2] Before the advent of digital research tools, scholars and historians were dependent principally on index-based

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[2] *See* Martha E. Williams, *Highlights of the Online Database Industry and the Internet: 2000, in* Proceedings of the 21st Annual National Online Meeting 1 (Martha E. Williams ed., 2000) ("Looking at the growth in databases, producers of databases, and vendors of database services over the time period from 1975 through 1999, the databases have grown by a factor of 39 . . . . The number of records contained in the databases has grown disproportionately. In 1975 the 301 databases contained about 52 million records. The 11,681 databases in 1999 contained nearly 12.86 *billion* records for a growth by a factor of 242.") (emphasis added).

systems, such as the *Readers' Guide to Periodical Literature* and its counterparts in countless disciplines, to access original source materials.[3] The researcher invariably began a given project by using the traditional, rigid information access points—namely, title, author and subject fields. After carefully parsing an index and identifying a seemingly relevant reference, the researcher was required physically to retrieve, if possible, or to request through interlibrary loan, if necessary, each and every relevant reference in cumbersome hard copy or microform format. Using these traditional analog tools, even the most straightforward projects focusing on a single publication (*i.e.*, a periodical, journal or newspaper) often required a significant investment of time and patience, often necessitating repeated reference to printed indices, as well as frequent changing of reels or fiche on reading machines.[4] These efforts were exponentially more complicated and burdensome when research, as is typically the case, required consideration of numerous titles, across a multitude of time periods.

With the advent of electronic libraries such as NEXIS, WESTLAW, Dow Jones Interactive and Dialog, a research project that, through the process described above, would have taken a researcher hours, days or more, can now potentially be completed in a matter of minutes. Searchable, comprehensive, full-text databases permit researchers to

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[3] *See* Vibiana Kassabian & Julie M. Still, *Selecting Full-Text Undergraduate Periodicals Databases*, EContent, Dec. 1, 1999 ("A long time ago, in a galaxy far, far away, the friendly but serious . . . librarians at a good undergraduate library could purchase a set of the Wilson indices—*Readers' Guide*, *Social Sciences Index*, *Humanities Index*, *Business Periodicals Index*, *Biological and Agricultural Index*, and *Applied Science and Technology Index*—and feel they were providing their students with solid, well-rounded access to the major periodical literature of various fields.").

[4] *See* David Beasley, *How to Use a Research Library* 133 (Oxford University Press 1988).

review quickly and efficiently hundreds, if not thousands, of print publications for the most detailed and minute references with a few keystrokes. Moreover, these technologies free the researcher from the inherently limited index systems, the integrity of which are entirely dependent on the judgment and perception of the individuals charged with characterizing and describing the underlying content. Full-text archives of a relevant publication for a specified time period provide scholars and researchers with direct access to the universe of potentially applicable source material, and the ability to parse it with a level of detail and at speeds that are simply not possible using traditional, index-based research tools and manual review. In contrast to analog research methods, the utility of the electronic copies and libraries is limited only by the researcher's ability to formulate an effective search. Indeed, with the advent and growth of the Internet and its billions of pages of information, electronic search and retrieval systems are likely to continue to improve dramatically.

The efficiency, accuracy, reliability, comprehensiveness and immediacy of access offered by searchable full-text digital archives are but a few of the benefits historians and other researchers have reaped from the advancement in the technology of information. Perhaps of equal significance is the fact that digital periodical, newspaper and journal archives, regardless of where they are physically housed, can be accessed from any location where the appropriate technology is available.[5] Moreover, these materials can be accessed by countless people simultaneously at any time.[6]

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[5] *See Commission on Physical Sciences, Mathematics, and Applications, National Research Council, LC21: A Digital Strategy for the Library of Congress* (2000) 3-3 [hereinafter *Library of Congress Report*].

[6] *Id.* at 3-4.

B. Digital Technology is Increasingly Replacing, Rather Than Supplementing, Traditional Methods of Recording and Accessing the Nation's Historical Record.

Few will deny that the primary locus, or at least the starting point, of almost any historical research project today (and for many years now) has migrated from the physical collections of libraries and archives to the desktop computer. Indeed, through digitization, the concept of "library" has been transformed from a "place" to a process of information management and collection.[7] As discussed further in Section II below, the fundamental process of historical research remains the same, however, whether the historian is relying on traditional analog or digital research tools. In either case, the quality of the research is ultimately dependent on the skill of the researcher and the comprehensiveness and accessibility of the underlying source material.

Although traditional archives and libraries comprised of analog materials always will remain indispensable research tools, they no longer are the primary research tools. During the last century, those charged with overseeing the warehouses of our nation's collective memory, namely, the nation's research libraries and archives, have struggled to preserve the materials that comprise their collections.[8] To this end, libraries and other collecting institutions have for

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[7] *See* Richard C. Rockwell, *Gateway Library: A View from the Periphery, in* Gateways to Knowledge 109 (Lawrence Dowler ed., 1997).

[8] *See* Gay Walker, Jane Greenfield, John Fox and Jeffrey S. Simonoff, *The Yale Survey: A Large-Scale Study of Book Deterioration in the Yale University Library*, College and Research Libraries, Mar. 1985, at 111-12 (estimating that, as of 1985, more than six million volumes of the collections of the Library of Congress had deteriorated to such an extent that they could not be given to users without risk of irreparable damage, and suggesting that, at the New York Public Library, as much as half of the collection had reached a similarly advanced state of disintegration) [hereinafter *Yale Report*].

decades relied upon microform media based on antiquated technology developed largely in the 1930's.[9] However, like the print collections they were developed to supplement and preserve, microform media are also plagued by equally vexing and decay-hastening challenges exacerbated by factors including poor storage conditions, overuse, and flaws in chemical composition or manufacture.[10] For certain rare or fragile subject matter, digital media may offer the only viable means of salvaging materials for future generations.[11]

In recognition of the limitations of analog storage technology, the efficiencies inherent in managing information digitally, as well as the associated physical space and potential cost savings, libraries and archives have been at the forefront of employing digital technology to collect, store and preserve the historical record in its myriad forms. As a consequence, the acquisition policies and infrastructure of our nation's libraries and archives have undergone a significant transformation. Libraries and archives maintain parallel information systems in traditional print media and electronic forms less and less frequently.[12] Faced with the choice, the

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[9] *See* Paul Wilson, *Historical Perspectives on the Use of Microfilm in Libraries and Archives, in* Preservation Microfilming – Does it Have a Future?/Proceedings of the First National Conference of the National Preservation Office 46 (National Library of Australia, 1995).

[10] *See Yale Report, supra* note 8, at 111; s*ee also* Kevin Fagan, *Battling to Preserve Remnants of History: Newspaper Archives Expensive and Complex*, S.F. Chronicle, Nov. 2, 2000, at A17 ("Historians estimate that as much as 30 percent of many microfilm collections are degraded so badly by insects, worn chemicals and overuse that they are near ruin.").

[11] *Library of Congress Report, supra* note 5, at 4-9, 6-2.

[12] *See* Eli M. Noam, Will Books Become the Dumb Medium?, Keynote Address to the Annual Convention of Educom (Oct. 27, 1997), *in* Educom Review, Mar./Apr. 1997, at 21 ("Comprehensive library collections have become unaffordable. But at the same time, electronic alternatives have become powerful in storage, broad-ranging in content and efficient in

digital alternative, rather than the traditional print alternative, is more commonly selected.[13] Indeed, some observers predict that print media journal/periodical storage and retrieval systems will be the exception rather than the rule in the not-too-distant future.[14] Already, for many researchers, electronic archives represent the sole repository of comprehensive historical information on their topic of interest.[15]

C. The Second Circuit's Decision Will Have the Predictable Effect of Irreparably Undermining the Integrity of the Nation's Electronic Archives and the Progress of Historical Research and Scholarship.

In an era when print archives of newspapers, journals and other periodicals are being rapidly replaced by electronic counterparts, the Second Circuit's decision will have the practical effect of dramatically and irreparably undermining the integrity of the historical record by limiting access to information and increasing the burdens on, and the costs of, scholarship.

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retrieval. Therefore, libraries are gradually shifting from investment in the physical presence of information to the creation of electronic access. Soon the combination of laptop and phone line will serve just as well—anywhere, anytime.").

[13] *See* Katie Hafner, *Books to Bytes*: *The Electronic Archive*, N.Y. Times, Apr. 8, 1999, at G1.

[14] *See* Tracy Primich, *Electronic-Collections in the Age of the Traditional Library*, EContent, Apr. 1, 2000, at 65 (quoting the *1994 California State University Strategic Plan for Libraries* which sets as a goal the transformation of "expensive journals in high-use areas into their electronic equivalents as early as is financially feasible, but certainly within the next three to five years," ultimately predicting that the state university library system will "get out of the business of acquiring print-based journals altogether").

[15] *See Library of Congress Report*, *supra* note 5, at 1-17.

If the decision below stands, publishers may not lawfully include in electronic copies or libraries the works of freelance authors who have not explicitly granted the rights for further electronic archival publication of their respective journal, magazine or newspaper contributions. The threat of a tidal wave of lawsuits brought by freelance authors relying on such a holding will force publishers to minimize the risk of liability by prophylactically eviscerating electronic collections of significant materials. From the perspective of *amici*, the potential damage wrought by this rule is inestimable because such "freelance" materials include, among other things, Op-Ed pieces, letters to the editor, and other invaluable contemporary commentary on the people and events of a given point in time.

The certainty of this devastating outcome becomes clear when the practical limitations involved in seeking and clearing freelance authors' rights are considered. *First*, in light of decades of common publishing industry practice, and given the long-standing understanding of publishers that authorization for inclusion of works in archival resources was not required, the publishing industry simply has not maintained the complete and accurate records necessary to seek and secure the permissions mandated by the Second Circuit's decision. Accordingly, many of the authors whose rights may be implicated, or their heirs and assigns, may be difficult, if not impossible, to locate. *Second*, even assuming the respective rights holder(s) can be located, in addition to the practical and administrative burdens associated with attempting to clear rights retroactively, the aggregate costs of paying individual rights holders for the necessary permissions to republish their respective contributions in electronic form either will be passed on to individual and institutional end users, or may simply be prohibitive, particularly for the publishers of small and/or specialized academic journals. *Third*, in terms of prospective effect, the Second Circuit's decision is no less damaging. Although it may be possible for

publishers to secure in advance the necessary rights from freelance authors to publish back issues of newspapers and other periodicals in their entireties in electronic form, it is equally possible that freelance authors may deny granting such permissions, preferring instead that their individual works not be included in electronic archives regardless of the fees offered by the publisher.

The omission of these materials from electronic collections, for any reason on a large scale or even an occasional basis, undermines the principal benefits that electronic archives offer historians—efficiency, accuracy and comprehensiveness. For the scholar, the uncertainty engendered by an incomplete archive presents a grave threat to the quality and completeness of historical scholarship, particularly where the gaps in coverage are not apparent or even detectable.

Faced with the prospect of unidentifiable gaps in coverage in the nation's electronic archives, and in order to guarantee thorough and accurate research, historians and researchers will, by necessity, be driven back to physical collections of libraries and archives to utilize, to the extent they now exist, the obsolete and inherently limited print-based indices and other analog information-locating tools of prior generations. In light of the trends in library acquisition in favor of electronic media, however, researchers will return to a materially depleted analog universe, with a substantial portion of the historical record simply unavailable or, if available, difficult, costly and inconvenient to access. Against such a backdrop, and in view of increasing financial constraints on research libraries and archives, it is highly unlikely that all but a select few collecting institutions will be able consistently to purchase electronic *and* analog versions of critical resources, with those that do likely being forced to pass on the costs to downstream users. Moreover, because of the fundamental shift in favor of electronic media among the nation's libraries, archives and research institutions, it may

simply be too late to return to analog approaches as the principal means of information storage and retrieval. The vast majority of libraries and archives will, therefore, be left with an unenviable choice between facilitating access and providing complete access to critical resource materials.

Amici respectfully submit, therefore, that the Second Circuit's decision will have the unprecedented and undesirable two-fold effect of threatening the completeness and integrity of the nation's electronic archives, and decreasing access to convenient, cost-efficient, comprehensive electronic information resources available to historians, scholars and researchers, as well as the public at large. In reaching its decision, the Court should weigh heavily the likely consequences of the Second Circuit's decision to the integrity of our nation's collective historical record and the progress of scholarship.

II. THE SECOND CIRCUIT'S FOCUS ON END USERS IN DETERMINING WHETHER ELECTRONIC ARCHIVES QUALIFY AS "REVISIONS" UNDER SECTION 201 IS INCONSISTENT WITH THE PRACTICAL REALITIES INHERENT IN THE PROCESS OF RESEARCH, AS WELL AS LONG-STANDING PUBLISHING INDUSTRY ASSUMPTIONS REGARDING THE PERMISSIBILITY OF TRADITIONAL, ANALOG MEANS OF PERIODICAL, NEWSPAPER OR JOURNAL STORAGE AND RETRIEVAL.

As framed by the Second Circuit, the central issue in this case is whether electronic journal, newspaper and periodical archives are "revisions" of the specific collective works in which the freelance authors' contributions first appeared. In short, if the electronic archives qualify as revisions of a given edition or issue of a periodical or newspaper, the reproduction and subsequent distribution of respondents' individual articles

in electronic archival form, or otherwise, is privileged under Section 201 of the Copyright Act.

Amici urge the Court to reject the Second Circuit's heavy reliance on the individual searchability and retrievability of the electronic archives and find, instead, that these characteristics, which are shared by analog storage media, long viewed as privileged under Section 201, are of no moment in determining whether electronic archives are similarly privileged under the Copyright Act. From the perspective of *amici*, the distinction between electronic libraries and their analog counterparts is simply one of medium, not one of function. Moreover, one of the principle characteristics of the original collective work in which such freelance contributions were published—*i.e.*, the publisher's selection of that article for inclusion in a given periodical, newspaper or journal—is no less evident in the electronic archives at issue in this case than in traditional forms of storage and retrieval.

The Second Circuit's approach to deciding the central issue in this case appears to rest, in large measure, on the ability of end users to access particular articles according to individualized search criteria "unrelated to the particular edition in which the articles first appeared."[16] Implicit in the Second Circuit's holding, however, is the suggestion that the ease of access to individual articles offered by electronic media, at least as contrasted with traditional analog forms (*i.e.*, microfilm/fiche or hardcopy bound volumes), renders electronic archives somehow less deserving of the privilege afforded by the Copyright Act.

Amici readily acknowledge that electronic research tools represent a quantitative advance in historians' and other scholars' ability to access invaluable source materials. *Amici*

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[16] Opinion of the United States Court of Appeals for the Second Circuit Dated and Decided Sept. 24, 1999 and Amended Feb. 25, 2000, 206 F.3d 161, 169.

respectfully submit, however, that irrespective of the medium in which these materials are stored, the process of research, *indeed the primary goal of research*, is to identify and retrieve individual articles and source materials addressing a particular topic of interest. In this respect, the Second Circuit's acknowledgment of the value of individual articles, from the end user's perspective, would appear to be equally applicable to traditional microform archives, as well as archives of bound volumes of periodicals and journals. Moreover, if taken to its logical extreme, this reasoning would undermine a fundamentally acknowledged view, as well as decades of publishing industry practice, based on the understanding that microform replicas are privileged under Section 201.[17]

Indeed, from the historian's perspective, and to the extent the end user's perspective is relevant to the legal issue presented in this case, the focal point of research has always been, and will always be, the retrieval of individual articles, regardless of the medium in which these materials are maintained. This point could not be more succinctly and clearly illustrated than in the following comments of historian Douglas Brinkley,[18] describing the process of biographical research and the value of contemporary newspaper, journal and magazine archives to the work of historians:

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[17] *See U.S. News and World Report Pulls Some Content From Microform Over Copyright Concerns*, Library Journal Academic Newswire, Aug. 29, 2000 (reporting that microform distributor Bell & Howell recently notified library subscribers that *U.S. News and World Report* would omit materials in which the publisher does not hold the copyright from future microform editions of its publication until the "copyright issues have been resolved").

[18] Professor Brinkley is the Director of the Eisenhower Center for American Studies at the University of New Orleans and the author of award-winning biographies of Jimmy Carter and Franklin D. Roosevelt.

> As an historian, when I want to write a biography, if I'm going to write a biography of Bill Clinton, the first thing I would do would be to index *The New York Times*. I would work through microfiche and get any time Bill Clinton's name ever appeared in *The New York Times*. I'd get a copy of that. So, you'd have boxes of files. So for each month, here's Clinton this month. There you have the kind of whole first draft. You then would fill that in with oral history interviews and . . . documentary evidence . . . and with some other obvious books or articles from *Foreign Affairs* or *Foreign Policy* or *The New Yorker*, or the like and you'd start getting your first biography of Bill Clinton. Somebody will do that. My colleague, Steve Ambrose, did that with Richard Nixon and produced three volumes, indexing *The New York Times* and having that as his time line.[19]

As Professor Brinkley's observations aptly illustrate, whether source materials are accessed through electronic archives *or* microfilm, microfiche or bound volumes, the fundamental process of historical research remains constant. When relying upon analog media, historians access source materials using subject indices to retrieve particular articles responsive to their individualized search criteria. Full text, searchable digital archives are used by historians in precisely the same manner for the same purposes. Electronic archives differ from their analog counterparts only in the ease and efficiency with which they enable historians to compile and organize, in the words of Professor Brinkley, the "first draft of history."[20]

Professor Brinkley's observations also demonstrate another equally important threshold consideration relevant to the research process, which appears to be absent from the

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[19] *Panel Discussion: The Observer's View (D. Brinkley, M. Frankel, H. Sidey)*, White House Historical Association (Nov. 16, 2000) (C-SPAN Archives No. 160577).

[20] *Id.*

Second Circuit's analysis. As the district court recognized below, from a researcher's perspective, the value of any article ultimately retrieved is derived, in large part, not only from the content of that article, but also from the fact that a publisher of particular note, reputation, political persuasion or other relevant characteristic selected that article for inclusion in a specific issue of its publication. The publisher's selection of that freelance contribution is retained and continues to be as relevant in the electronic archives as in the original publication. This point was obscured below by the court of appeals' focus on the fact that, from the end user's perspective, electronic archives may, in some instances, display individual articles separately from other materials included in the original collective work.

The Second Circuit's misplaced emphasis on the individually searchable and retrievable character of electronic archival materials as determinative of the "revision" issue rests upon an implicit distinction between analog and electronic research tools that is simply not supported by the practical realities and common practice of *amici*, or end users generally. *Amici*, therefore, urge the Court to conclude, as did the district court below, that electronic archives constitute permissible revisions under Section 201 even where, from the end user perspective, an electronic version may not retain the exact arrangement of the original print version of a given issue of a newspaper, periodical or journal, but does reflect the publisher's selection of that article.

CONCLUSION

For the foregoing reasons, the judgment of the court of appeals should be reversed.

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Supreme Court of the United States

OCTOBER TERM, 2000

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

—v.—

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR THE SOFTWARE & INFORMATION INDUSTRY ASSOCIATION, THE NATIONAL FEDERATION OF ABSTRACTING & INFORMATION SERVICES, DOW JONES REUTERS BUSINESS INTERACTIVE, LLC, THE GALE GROUP, INC., THE DIALOG CORPORATION, AND WEST PUBLISHING CORPORATION, *AMICI CURIAE*, IN SUPPORT OF PETITIONERS

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The Software & Information Industry Association, the National Federation of Abstracting & Information Services, Dow Jones Reuters Business Interactive, LLC, The Gale Group, Inc., The Dialog Corporation, and West Publishing Corporation (collectively, "*amici*") respectfully submit this brief on consent and in support of The New York Times Co., Newsday Inc., Time Inc., LEXIS/NEXIS, and University Microfilms International (collectively, "Petitioners") in this case.[1] For the reasons stated below, *amici* urge that the Court reverse the decision of the Court of Appeals for the Second Circuit.

INTERESTS OF AMICI

The Software & Information Industry Association ("SIIA") is the leading trade association committed to promoting and protecting the interests of the software and information industries. SIIA represents over 1,000 member companies, including prominent publishers of software and related products and multimedia titles for reference and education. SIIA's Content Division is comprised of more than 100 large and small companies that publish and distribute information or provide technology and services that enable the marketing and delivery of information products and services.

The National Federation of Abstracting & Information Services ("NFAIS") is a not-for-profit scientific and educational organization for producers and providers of databases. Founded in 1958 to advance the international exchange of scientific and technical information by using advanced information handling technologies, the organization continues to provide forums and to produce

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[1] No counsel for any party authored this brief in whole or in part, and no person or entity other than the *amici*, their members, or their counsel, made a monetary contribution to the preparation or submission of this brief.

publications on matters of interest to its members and related communities. Members include not-for-profit organizations, commercial enterprises, academic institutions, and government agencies that produce electronic information services for the research community and the general public.

Dow Jones Reuters Business Interactive, LLC (d/b/a Factiva) ("Factiva") provides world-class global news and business information online, including Dow Jones and Reuters newswires, *The Wall Street Journal*, *The New York Times*, *The Washington Post*, and over 7,000 other publications from around the world. The information provided by Factiva includes current news, historical references, scientific and technical journals, local-language publications, market research, and investment analysis reports.

The Gale Group, Inc. ("Gale") is a world leader in reference work and electronic information publishing for libraries, schools, and businesses. Gale creates and maintains more than 600 databases that are published online, in print, and in microform and that consist in whole or in part of collective works licensed from others, including newspapers, magazines, newsletters, scientific periodicals, and scholarly journals. Gale also licenses its proprietary content to nearly 100 organizations for integration within web-based information services.

The Dialog Corporation ("Dialog") is a leading provider of Internet-based information and technology services to professionals in business, science, engineering, and law. Dialog's customers have instantaneous access to hundreds of databases containing over nine terabytes (equivalent to more than six billion pages) of textual materials, including thousands of collective works licensed from other companies.

West Publishing Corporation ("West") is the largest provider of print publications and electronic information to the United States legal community and courts. Its many online services include Westnews, which comprises more than 5,800 news and business publications, including newspapers, magazines, and newsletters, plus other information sources such as newswires, research reports, and transcripts of radio and television broadcasts.[3]

The individual corporate *amici* and the members of SIIA and NFAIS share a deep commitment to the effective protection of intellectual property rights – both their own, upon which their economic viability depends, and those of others. They file this *amicus* brief not because they are hostile to the rights of authors – freelance or otherwise – to protect their works from unauthorized copying or distribution. That is not the issue in this case. Rather, the *only* issue before the Court is the proper interpretation of a single, special statutory provision, establishing a presumptive contract right that controls situations in which no express written contract defines the respective rights of authors and publishers. The question is *not* whether freelance authors should be paid for their efforts – by definition, they were paid when their writings were accepted for publication. The question before the Court is whether Congress, in enacting Section 201(c) of the Copyright Act of 1976, meant, as the Second Circuit held below, to exclude electronic versions of periodicals from the coverage of this statutory presumption.

As the creators of the world's leading electronic databases, *amici* have a direct and profound interest in the proper resolution of this issue. Their respective databases include the complete editorial content of many millions of

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[3] Gale, Dialog, and Westlaw are indirect wholly owned subsidiaries of The Thomson Corporation.

separately published newspapers, magazines, and other periodicals provided pursuant to contracts entered into with thousands of different publishers. *Amici* do not deal directly with the authors (be they freelance or staff) of any of the individual articles contained in these publications, and they would have no possible way of verifying the contractual terms upon which those works were accepted for publication. Instead, they depend upon the representations and warranties received from those publishers that they have the rights to permit electronic use of their works, together with an understanding that under Section 201(c), absent an express contractual term to the contrary, any grant of the statutorily defined rights to the original publisher includes the electronic version as well. Based upon these shared and long held expectations, derived from the statute and reaffirmed by contractual assurances, *amici* and others have built a worldwide database industry that represents the most comprehensive archive of written material in history. Millions of subscribers, in virtually all fields of human endeavor, rely upon those databases to be complete and comprehensive. They serve as electronic libraries that have fundamentally, and irreversibly, changed the way information is accessed and research is performed in this country and around the world, and they have, in large measure, replaced the hard copy collections in most libraries.

The decision below places all of this at risk. By holding that the Section 201(c) presumption does *not* apply to the electronic versions of print publications, the court below created the very real possibility that buried within these electronic databases are some unknown and unknowable number of articles by unidentified authors who may now be in a position to pursue copyright infringement claims based upon the Second Circuit's decision. Indeed, since that decision issued, three separate purported class actions were filed on behalf of freelance authors whose works are alleged

to fall within this category.[3] The individual corporate *amici* are each defendants in one or more of these actions, and now face the disruption of their businesses, as well as claims for damages, all because of the Second Circuit's unduly narrow and legally erroneous reading of Section 201(c).

SUMMARY OF ARGUMENT

Section 201(c) of the Copyright Act provides:

> In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

In other words, absent a contract expressly providing otherwise, the publisher of a "collective work" (such as *The Washington Post* or *Time Magazine*) is "presumed" to have acquired the right to use any individual articles copyrighted by their authors *only* in (i) the original collective work, (ii) any "revision" of that work, or (iii) later works in the same series.

Simply reading that statutory language, and giving it its ordinary English meaning, the most sensible interpretation is that an electronic edition of *The New York Times* – whether created for archival purposes or to permit distribution by electronic means – would be either a manifestation of the original "collective work" communicated through a different

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[3] *The Authors Guild, Inc. v. The Dialog Corp.*, No. 00 Civ. 6049 (S.D.N.Y. filed Aug. 15, 2000); *Posner v. Gale Group, Inc.*, No. 00 Civ. 7376 (S.D.N.Y. filed Sept. 28, 2000); *Laney v. Dow Jones & Co., Inc.* No. 00 Civ. 769 (D. Del. filed Aug. 21, 2000).

medium of expression or, at most, a "revision" of that original work to accommodate the requirements of the electronic medium in which it is fixed. Either way, under Section 201(c), the grant of rights to publish the article would be presumed to include electronic publication as well. That conclusion flows comfortably from the statutory language itself, and until the Second Circuit's decision, it was so understood. *See Greenberg v. National Geographic Soc'y*, No. 97-3924-CIV, 1998 U.S. Dist. LEXIS 18060 (S.D. Fla. May 14, 1998); *Tasini v. New York Times Co.*, 972 F. Supp. 804 (S.D.N.Y. 1997). Indeed, in the twenty years between enactment of the Copyright Act of 1976 and the commencement of this case, *amici* are aware of no previous litigant who has asserted the position adopted by the court below.

But the Second Circuit concluded that electronic versions were *not* entitled to coverage under Section 201(c), thus ignoring the basic principle that the Copyright Act of 1976 was written to embrace new technologies, such as electronic forms of publication, and to treat both new and old pursuant to the same media neutral standards. In so doing, the court below cited three supposed characteristics of these electronic works to hold that they could not possibly be "revisions" within the meaning of Section 201(c):

(1) the fact that when print publications are transferred to certain electronic media, the format and layout of the text may change and certain advertisements and other matter may be edited out;

(2) the fact that a single electronic database may contain numerous issues of any given or multiple different periodicals, thus somehow combining them into one gigantic electronic anthology that staples, glue, and covers would have maintained as separate in their original form; and

(3) the fact that database users, employing modern electronic search technology, can and often do retrieve individual articles on specified subjects without the need to view the material within the context of its original print edition.

None of these factors – alone or in combination – support the holding below.

Had this new rule been adopted through prospective legislative amendment, rather than an erroneous judicial decision, it would be a rather simple matter for the petitioners and other print publishers to change the forms by which they contract with freelance contributors and to provide expressly for a transfer of all manner of electronic publishing rights. Indeed, during the pendency of this litigation, a number of publishers have made such changes. The great danger caused by the decision below, however, stems from the fact that decades worth of preexisting publications have been incorporated into electronic databases in reliance upon the protection of Section 201(c). There is no economically feasible way for the publishers now to identify and to secure express written consent from the countless freelance authors whose contributions may be included in these collections, nor is there any practical way for database providers to solve the problem themselves. Thus, were this Court to affirm the decision below, and were an injunction to be entered, irreparable harm would be done to petitioners, *amici*, the public, and even to what may be the silent majority of freelance authors who are likely pleased that their articles, the print copies of which have long since become inaccessible, are still available electronically to researchers and others. Accordingly, *amici* respectfully urge that the decision below be reversed.

ARGUMENT

I. Nothing in the History of the Copyright Act of 1976 Supports the Second Circuit's Interpretation of Section 201(c).

Apparently, to the Second Circuit, an issue of *Time Magazine* fixed in a format permitting its storage and display by means of a computer represents a fundamentally different work than the same magazine as embodied in print on paper. The Copyright Act of 1976, however, adopts exactly the opposite view by insisting upon media neutrality. As Section 102(a) states:

> Copyright protection subsists . . . in original works of authorship fixed in *any* tangible medium of expression, *now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device*. (emphasis added)

As the House Report stated:

> [I]t makes no difference what the form, manner, or medium of fixation may be – whether it is in words, numbers, notes, sounds, pictures, or any other graphic or symbolic indicia, whether embodied in a physical object in written, printed, photographic, sculptural, punched, magnetic, or any other stable form, and whether it is capable of perception directly or by means of any machine or device 'now known or later developed.'

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 52 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5665 (quoting 17 U.S.C. § 102(a)).

That is, a "work of authorship" remains a "work of authorship" without regard to the medium – new, old, or not yet invented – from which it can be reproduced. Congress had the vision and foresight to understand that the media through which copyrighted works might be communicated were evolving rapidly as technology changed. The clearly manifested intent of Congress was to apply the same rules to all such works in a media neutral manner.[4]

It also is clear that Congress understood and intended that electronic databases would be treated in the same fashion. Electronic databases were already an important new medium of expression when Congress adopted the Copyright Act of 1976. As early as the 1960s, companies began to utilize the extraordinary capabilities of the evolving computer technology to make and store copies of periodicals and other works electronically.

Indeed, in 1967, Professor (later Justice) Benjamin Kaplan prophetically wrote:

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[4] In fact, the concept of media neutrality in copyright law originated long before the Copyright Act of 1976. In *Holmes v. Hurst*, 174 U.S. 82, 89 (1899) this Court wrote:

> It is the intellectual production of the author which the copyright protects, and not the particular form which such production ultimately takes, and the word 'book,' as used in the statute, is not to be understood in its technical sense of a bound volume, but any species of publication which the author selects to embody his literary product.

As a leading commentator has written in describing that case:

> The Court thus enunciated a conception of authorial creation in which the 'intellectual production' exists independently of the medium of expression.

Jane C. Ginsburg, *Creation and Commercial Value: Copyright Protection of Works of Information*, 90 Colum. L. Rev. 1865, 1887 (Nov. 1990).

> You must imagine, at the eventual heart of things to come, linked or integrated systems or networks of computers capable of storing faithful simulacra of the entire treasure of the accumulated knowledge and artistic production of past ages, and of taking into the store new intelligence of all sorts as produced. The systems will have a prodigious capacity for manipulating the store in useful ways, for selecting portions of it upon call and transmitting them to any distance, where they will be converted as desired to forms directly or indirectly cognizable, whether as printed pages, phonorecords, tapes, transient displays of sights or sounds, or hieroglyphs for further machine uses. Lasers, microwave channels, satellites improving on Comsat's Early Bird, and, no doubt, many devices now unnamable, will operate as ganglions to extend the reach of the systems to the ultimate users as well as to provide a copious array of additional services.

Benjamin Kaplan, *An Unhurried View of Copyright* 119 (1967).

Congress was keenly aware of this phenomenon when drafting the 1976 Act. Indeed, Congress received direct testimony predicting that computer databases would come to incorporate vast libraries of stored books and periodicals. *See Copyright Law Revision: Hearing on H.R. 2223 Before the House Subcomm. on Courts, Civil Liberties, and the Admin. of Justice of the Comm. of the Judiciary,* 94th Cong. 338 (1975) (statement of Paul G. Zurkowski, President, Information Industry Ass'n) (under the Act, collective works including encyclopedias and periodicals would be input into computer databases, and through computer equivalents of the

Readers' Guide, could be used to access individual materials). *See also Copyright Law Revision, Part 3, Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft,* 88th Cong., 2d Sess. 418 (1964) (statement of George Schiffer, National Community Television Ass'n) (computer databases were "kinds of libraries as yet uninvented . . . when a manuscript will be fed into a computer and ordered as needed").

Nothing in Section 201(c) or its legislative history indicates that Congress intended to impede the progress of this nascent database industry or to exclude it from that provision's coverage. To the contrary, it was for the express purpose of examining the relationship between computer technologies and copyright law that Congress created the National Committee on New Technological Uses of Copyrighted Works ("CONTU") in 1974. *See* Act of Dec. 31, 1974, Pub. L. No. 93-573, § 201, 88 Stat. 1873, 1873-1874 (1974); H.R. Rep. No. 1476, 94th Cong., 2d Sess. 116 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5731. After years of study, CONTU recommended (i) that computer programs continue to be protected as "literary works," (ii) that electronic machine readable databases be analogized to compilations under existing copyright principles, and (iii) that the existing law did not need to be altered to accommodate these new technologies. Final Report of the National Commission on New Technological Uses of Copyrighted Works at 11-12, 14-15, 38, 46 (1978) ("CONTU Final Report").[5] Congress accepted that recommendation,

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[5] Among the witnesses who appeared before the CONTU panel were representatives of two leading database companies of the day, Mead Data Central and The New York Times Information Bank. CONTU Final Report, App. F, at 119. *See also id.,* at 38 ("[A] data base is a compilation and thus a proper subject for copyright. This entitlement to copyright is not diminished by the fixation of the data base in a medium requiring the intervention of a computer to communicate its information content.") (footnote omitted).

effectively codifying CONTU's findings. Computer Software Copyright Act, Pub. L. No. 96-517, § 12, 94 Stat. 3015, 3028 (1980) (codified at 17 U.S.C. §§ 101, 117 (1980)).

Moreover, settled case law indicates that the courts have been quite comfortable applying this doctrine of media neutrality in the infringement context. It is by now a well-accepted tenet of copyright law that reproducing a work in a digital medium creates an infringing "copy."[6] *See, e.g., Stenograph, L.L.C. v. Bossard Assocs., Inc.*, 144 F.3d 96, 100 (D.C. Cir. 1998) (installation of software onto computer constitutes copying within the meaning of the Copyright Act); *MAI Sys. Corp. v. Peak Computer, Inc.*, 991 F.2d 511, 517-519 (9th Cir. 1993), *cert. dismissed*, 510 U.S. 1033, (1994) (loading software onto computer's random access memory constitutes "copying" of copyrighted software); *Rand McNally & Co. v. Fleet Mgmt. Sys., Inc.*, 600 F. Supp. 933, 942 (N.D. Ill. 1984) ("it is clear that inputting a copyrighted work into a computer would violate the copyright holder's exclusive rights. . . . [t]he way that information must be formatted in order to be of use by a particular computer or program should not prevent a finding of infringement"). *See also* 2 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* (2000) § 8.01[B] at 8-16 ("the fact that a work in one medium has been copied from a work in another medium does not render it any less a 'copy'"). There is little doubt that if any of the *amici* had chosen to include one of petitioner's publications in an electronic database without permission, that would have constituted making a "copy" of that work for infringement

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[6] Section 101 defines the term "copies" as material objects "in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device."

purposes. Yet, to the Second Circuit, the same electronic version that is enough like the original publication to constitute a "copy" for infringement purposes is neither a "copy" of the publication itself nor even a "revision" of that work for purposes of Section 201(c). This simply makes no sense.

For these reasons, it is inappropriate to conceive of the Section 201(c) privilege as exercisable only in a specific medium. A revision is a revision for purposes of that provision, just as a work is a work and a copy is a copy, regardless of the medium of expression. The question, then, is whether the electronic versions of publishers' periodicals are recognizable revisions of their paper copy counterparts. In this case they clearly are.

II. Any Differences Between Amici's Databases and the Original Print Publications Are Immaterial As A Matter of Copyright Law.

The Second Circuit's opinion turns in large part on certain legally irrelevant elements of format and layout that are allegedly "lost" in the transfer of periodicals from print to electronic form. Many of these changes inevitably occur when the words of a publication are translated into ASCII code, or some other text-based format, for storage within the database. Others involve minor editing, such as the omission of advertisements, the deletion of maps and paid death notices, and changes in general appearance that may occur when petitioners' periodicals are stored electronically. The decision below ignores two fundamental facts, however: *first*, that many of these changes are no different in kind or degree than those that occur when there are two or more editions of the same print periodicals that no one – including the Second Circuit – would deny qualify as "revisions" under Section 201(c) and, *second*, that these types of changes are wholly irrelevant as a matter of copyright law.

A. Transfer Into Digital Format.

As noted, many of the changes are occasioned by the machine-readable format in which database text is gathered and stored. Pursuant to contract, publishers electronically transfer to *amici* the same files that are used to create the print versions of their periodicals. This transfer generally takes place in ASCII[7] or another standardized digital "text" file format that allows computers to process and store that data efficiently. The text in that coded format has the same editorial content as does the original print edition, but it is formatted for display on a computer screen, not a printed page. For example, the "above the fold" placement the Second Circuit seemed so intent to preserve (206 F.3d at 164) has no particular relevance within the context of a computer screen. Many, but not all, electronic databases only store the text, without any accompanying graphics, while others may store graphics separately in linked files that are programmed to produce the appropriate graphic on screen when the associated text is retrieved. But the advantages of storing the textual contents of a database in a text-based file format such as ASCII are twofold – *first*, it is more efficient, and *second*, it permits the full text of articles to be searched electronically.

The data received by *amici* is coded to allow for electronic indexing and searching, and then stored on disk drives or other storage devices that are the electronic equivalent of library stacks. The data is stored as it was sent

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[7] ASCII code allows textual materials to be stored in a translated digital format. ASCII stores that information using seven-digit binary numbers consisting of various sequences of 0s and 1s to represent different characters. For example, the binary sequence 1010000 represents an uppercase "P," while the sequence 1110000 represents a lowercase "p."

– as a series of binary digits (0s and 1s) that, when read by a computer, are translated back into text. The data itself, however, has no specific arrangement - it is simply information that resides in a particular storage medium.[8] It reflects the same copyrighted expression as the original printed text; only the medium of expression has changed. Given the media neutrality of the Copyright Act, that change is irrelevant.

To the Second Circuit this difference in storage medium was important, and the court even drew a distinction between graphical and text-based files.[9] This is unsupported, however, as a matter of copyright law. Text is text, whether stored as an image in a graphical format or as searchable words in ASCII code. The Second Circuit's approach is akin to arguing that the motion picture *The Bridge Over the River Kwai* in its original theatrical format is a completely different work than the videotape or DVD renditions, because a film

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[8] As is true for all digital media, it is not necessary that memory in a database be structured so as to store information in an order or arrangement that mimics that of the original print version, so long as the computer program has the ability to assemble the correct words in the correct order when the user wishes to read them on the screen or cause them to be printed. For this reason, it is senseless to focus, as the Second Circuit did, on the print arrangement of a periodical in determining whether an electronic copy qualifies as a "revision" under Section 201(c). *See* Robert C. Denicola, *Copyright in Collections of Facts: A Theory For The Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 531 (April 1981) ("Data bases are clearly permissible subjects for copyright under the 1976 Act, yet it is often senseless to seek in them a specific, fixed arrangement of data. There is simply a collection of information stored in an electronic memory . . . . In such a context there is no particular arrangement to protect.").

[9] *See Tasini v. New York Times Co.*, 206 F.3d 161, 169 (2d Cir. 2000) (stating that the GPO database presents "a slightly more difficult issue than does NEXIS" because GPO "includes some image-based, rather than text-based files").

through which light is projected, a magnetic tape containing an analog video recording, and a digital video disc are physically three very different media. Proper respect for the media neutrality of the Copyright Act eliminates the gap between law and logic reflected by such an argument. The Second Circuit appears to have missed that point in this case.

B. The Variations Between Amici's Databases and the Original Print Publications Are No Different Than Those Among Existing Print Revisions of Petitioners' Periodicals.

The Second Circuit's analysis also places heavy emphasis on the fact that when a newspaper such as *The New York Times* is transferred to an electronic database certain formatting changes occur and some features and advertisements may be deleted. What the court below overlooks is the fact that when the print versions of these publications are offered in multiple editions, the same types of changes occur, yet these editions undoubtedly qualify as "revisions" of the original periodicals for purposes of Section 201(c).

For example, each weekday *The New York Times* is published in numerous different print editions. The copy of *The New York Times* that is delivered to a Manhattan resident's doorstep before dawn is different from the copy that same person might purchase at a newsstand later that day, and both would differ from the copies of the national and regional editions available for sale or delivery elsewhere in the country. These editions differ in both content and format. Even the local versions of the *Times* are updated with late-breaking stories and news not available for print in the earliest morning edition, while the versions of the *Times* delivered in the New York suburbs might contain separate "Westchester" or "Connecticut" news sections in addition to or in lieu of some of the standard "Metro" coverage. The version purchased on a newsstand in San Francisco or

Washington, D.C. may well omit much of the local New York news entirely. Each regional version of this national newspaper contains somewhat different advertisements. All of these differences affect the layout of each edition of the paper, and format can vary considerably from edition to edition, with whole sections omitted from some versions that are present in others. Yet each is recognizably *The New York Times* of a given date, and each of these editions would be protected by the same copyright and qualify as either "that particular collective work" or a "revision" for purposes of 17 U.S.C. § 201(c). The Second Circuit stated as much in its opinion. *See* 206 F.3d at 167 ("[T]he most natural reading of the 'revision' of 'that collective work' clause is that Section 201(c) protects only later editions of a particular issue of a periodical, such as the final edition of a newspaper"); *Second H.R. Rep.* No. 1476, 94th Cong., 2d Sess. 122-123 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5738 ("[u]nder the language of this clause a publishing company could reprint a contribution from one issue in a later issue of its magazine").

The differences between the electronic and the print versions of a periodical are no different in nature or in scope than the differences among various print editions of the same publication. And just as those differences do not preclude the later print editions from qualifying as "revisions," they do not preclude electronic versions from the same treatment under Section 201(c).

C. Selection Is Protected Independently from Arrangement.

A review of basic copyright principles with respect to "compilations" compels the same conclusion. The Second Circuit erred in requiring that a revision reflect precisely the same selection, coordination, *and* arrangement as the print original. *Amici*'s databases retain the defining copyrightable element of the collective works that they reproduce -- the editorial determination of the original selection of articles to

be included. But both the Copyright Act and an extensive body of case law make clear that *either* the selection, *or* the coordination, *or* the arrangement, *or* any combination of these elements of a collective work may be protectible – there is no requirement that all three of these characteristics be present to qualify for copyright protection. 17 U.S.C. § 101 (defining "compilation" as "a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, *or* arranged in such a way that the resulting work as a whole constitutes an original work of authorship") (emphasis added). *See Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 358 (1991) (for compilation to merit protection, "the facts must be selected, coordinated, or arranged 'in such a way' as to render the work as a whole original"); *Key Publications, Inc. v. Chinatown Today Publishing Enters., Inc.*, 945 F.2d 509, 512 (2d Cir. 1991) (for compilation to qualify for copyright protection, there must be original selection, coordination, or arrangement of data).

Just as all three of these protectible elements do not need to be present for a compilation to qualify for copyright protection, all three do not need to remain constant for a work to qualify as either a "copy" or a "revision" of the original work. For example, if the selection of articles in a newspaper was not protected apart from their arrangement, then *The New York Post* could publish the entire content of *The Washington Post*, and avoid infringing the latter's collective work, simply by placing it in a tabloid format. This is plainly not the law.

The minor formatting changes that occur in the transfer from print to electronic form are, quite simply, immaterial for copyright purposes. *U.S. v. Hamilton*, 583 F.2d 448, 451 (9th Cir. 1978) ("[t]rivial elements of compilation and arrangement, of course, are not copyrightable since they fall below the threshold of

originality"); *Key Publications, Inc. v. Chinatown Today Publishing Enters., Inc.*, 945 F.2d at 514-516 (only changes to the essential elements of a compilation – the selection and arrangement of contents thereof – are relevant to a copyright infringement analysis; other changes are of no import). Rather, these are necessary formatting differences inherent in use of the digital medium. For these reasons, the Second Circuit's focus on format and arrangement is misplaced, and seriously misinformed the analysis upon which its decision was based.

III. The Fact That Multiple Periodicals May Be Stored Together Does Not Remove Electronic Databases From Protection Under Section 201(c).

The Second Circuit's second ground for concluding that an electronic version of a periodical in a database creates an entirely different "new anthology" rather than a "revision" of the printed work turns on the manner in which the works are stored together within the computer. According to the court below, if multiple issues of the same periodical or, on a larger scale, collections of different periodicals, are stored together in a computer, each issue loses its identity for copyright purposes and becomes part of a new, giant agglomeration. That is, the outcome under Section 201(c) will vary depending upon how an individual database company has chosen to organize its servers and other storage devices and the manner in which it may or may not choose to segregate discrete publications. Again, the court below simply failed to recognize the principle of media neutrality embodied in the Copyright Act.

There is no factual basis for the conclusion that a print publication loses its identity as a discrete compilation of articles and other materials when it is stored in an electronic database. Information identifying the publication, date, and page invariably is stored with the underlying text and any user viewing a particular news item certainly would be able

to see that it was, for example, found in *The Washington Post* of a given date, on a particular page in a certain section. Periodical issues and pages do not cease to exist in the electronic format; they merely take on a different physical form. Computers and their associated digital storage media have the capacity to record and to store vast quantities of data in very small amounts of space. This is part of their power. To say that this ability to store the equivalent of an entire library efficiently on a single disk drive somehow automatically creates a new compilation, and obliterates the old, improperly attributes copyright consequences to a technological capability.

Again, analogies from the print world illustrate the point. Suppose a learned article is published in the *Harvard Law Review*. Each issue is published initially within paper covers, yet each year's eight issues also can be purchased (complete with an index) bound together in buckram as a single volume. Is this bound volume entitled to the statutory privilege under Section 201(c)? When a library chooses to shelve the *Harvard Law Review* on a bookcase next to the law journals of Yale or Stanford, is its identity once again lost? Has each law review article become part of some new collective work? Obviously not. Yet, according to the Second Circuit, if the law library stored these publications on a common server, they automatically would become a single new collective work. This simply makes no sense.

Prior Second Circuit case law evidences a more sensible approach than that taken below. *See CCC Information Servs., Inc. v. Maclean Hunter Market Reports, Inc.*, 44 F.3d 61, 68 n. 8 (2d Cir. 1994) (original aspects of selection and arrangement were present even though compilation was included in a more extensive database). Accordingly, the Second Circuit erred in concluding that a "new anthology" is created whenever multiple works are stored together electronically in a particular storage medium.

This is no more accurate than saying that a "new anthology" is created when two books are stored together on the same shelf. If media neutrality is to mean anything, it must mean that selection is constant regardless of the medium of fixation. The Second Circuit's contrary rule renders every server, database, and storage unit a potentially infringing new anthology, subject to suit by any disgruntled copyright holder who, although granting rights for electronic *publication*, has not given specific permission to have his or her work *stored* electronically with other works.

IV. The Manner In Which Third Parties Can Search Through Electronic Materials Is Immaterial As A Matter of Copyright Law.

The final element in the Second Circuit's analysis – and the one that seems most central to its conclusion – was its focus upon the fact that users of electronic databases often are apt to retrieve individual articles from a database, rather than the entire issue of the periodical in which the article first appeared. This ability to call up an article standing alone apparently struck the court below as representing the one thing that Section 201(c) does not permit a compilation owner to do – namely, to sell a freelance author's article apart from the compilation in which it was published. The Second Circuit, however, has jumped to the wrong conclusion for several reasons.

First, it is not the case that periodical publishers are, contrary to their contractual and copyright obligations, selling individual freelance articles for inclusion in electronic databases. Rather, the contracts of which *amici* are aware provide for the transfer of electronic rights to entire issues, covering some specific period of years, of whatever publication is involved. These are simply licenses of the original collective work or, at most, electronic "revisions" of such works for Section 201(c) purposes. The Second Circuit's concern relates to how individual researchers may

choose to use a particular database to access individual articles, not to the manner in which petitioners and database providers contract for the electronic publication of periodicals.

Second, no matter how end users may choose to search *amici*'s databases, it is a basic tenet of copyright law that third party conduct is irrelevant to claims of direct infringement, such as those upon which the allegations in this case are founded. Thus, it is irrelevant whether people choose to retrieve individual articles or the totality of any given periodical from *amici*'s databases. *Sony Corp. of America v. Universal City Studios*, 464 U.S. 417, 446 (1983) ("[t]hird party conduct would be wholly irrelevant in an action for direct infringement of respondents' copyrights"); *Matthew Bender & Co. v. West Publishing Co.*, 158 F.3d 693 (2d Cir. 1998), *cert. denied*, 526 U.S. 1154 (1999) (rejecting infringement claims based on argument that third party users could rearrange data on a CD-ROM to create an infringing configuration). By focusing on the end user's ability to access individual works, however, the Second Circuit ignored these well-established rules and imposed direct infringement liability on publishers based upon these third party actions. There is no basis in law to do so.

Finally, the Second Circuit's decision ignores the fact that what really causes end users to retrieve individual articles rather than entire issues of periodicals has nothing to do with the way these materials are stored in an electronic database, as opposed to the original print media. Rather, it results from nothing more complicated than the difference between reading today's newspaper or magazine and doing research in an archive. One sits down to read the current edition of *The Wall Street Journal* or *The Economist* in order to discover what has transpired in the world since the last issue. Whether the publication is read from cover to cover, or is simply skimmed, context and timeliness are key

elements of the value of the experience. Archived periodicals, on the other hand, tend to be used in a very different manner, primarily for research. It would be a rare event to read through a three-year-old copy of *The New York Times* as if it were current, but not at all unusual to turn to such a publication, among others, in search of historical information concerning a particular subject.

The only difference brought about by electronic databases is their powerful search tools that permit users to search through vast archives of periodicals for specific information on particular subjects in a prompt and efficient manner. Functionally, they do nothing different in kind from the various printed indices (such as *The Readers' Guide to Periodical Literature*) that researchers historically have used to find relevant articles from past publications sitting on library shelves. Digital search engines may provide speed and power not previously available, or even imagined. But the fact that they can be used to retrieve discrete articles from within archives is simply a function of the nature of research, not an indication that publishers or database providers are marketing separately individual articles that they do not own.

V. The Second Circuit's Decision Undermines the Purpose of the Copyright Laws.

If the Second Circuit's decision is allowed to stand, the practical and inevitable consequence will be to jeopardize the integrity of the electronic databases that, today, increasingly represent the primary archive of our written history.

Were the effect of the Second Circuit's decision purely prospective – establishing a new rule to govern future dealings between authors and publishers – the impact of its misreading of Section 201(c) could be addressed in future contract negotiations. But the real difficulty arises from retroactively changing the rules under which the information

industries have developed their electronic libraries in the twenty years since the Copyright Act was adopted.[10] The fact that a thriving database business has been built over the past two decades based upon the premise that the publishers acted lawfully in providing their content, indicates one of two things – either these two copyright dependent industries are actually populated by unscrupulous pirates or, more likely, the Second Circuit's decision was a major departure from the shared understanding upon which both publishers and database providers have relied.

The task the Second Circuit would impose on publishers – to attempt to locate contractual documentation covering millions of articles spanning decades and, if necessary, to track down any freelance authors (or the successors to their copyright interests) and secure missing electronic publication rights – may or may not even be possible. At a minimum, however, it would take a long time and cause chaos in the interim. Database providers, such as the *amici*, do not even have the means directly to determine which of the contents of their libraries are problematic, since they are entirely dependent upon the publishers to deliver content that was legally acquired and transferred. The economic realities are such that the most likely consequence of an affirmance of the decision below would be the wholesale deletion of identifiable freelance articles, and perhaps more if such identification was too difficult or expensive.

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[10] In 1979, shortly after the Copyright Act was adopted, there were some 300 computer databases in existence, 221 database producers, and 59 online services. Laura D'Andrea Tyson & Edward F. Sherry, *Statutory Protection for Databases: Economic & Public Policy Issues* (submitted to *Collections of Information Antipiracy Act: Hearings on HR 2652 Before the Subcomm. on Courts and Intellectual Property of the Comm. on the Judiciary*, 105th Cong. 67 (1997)). By 1997, the industry had grown to 5,739 computer databases, 2,312 producers, and 899 online services. *Id.*

The victims would not be limited to the publishers and the database providers, but would likely include many authors as well. For every freelance author who objects to the inclusion of his or her articles in an electronic database without some supplemental payment, there are likely dozens of authors – paid and unpaid – who are quite pleased that their articles, the print copies of which disappeared long ago into recycling bins (or fireplaces), or which are only available in remote and inaccessible libraries, still live on in electronic form, being retrieved, read, and used online by new generations of scholars, teachers, students, and even other freelance authors anywhere on the globe. And the greatest victims would be the public at large, since the growth of the database industry, which has put vast information resources at the fingertips of everyone with access to a computer, would be placed in doubt.[11]

As one commentator has pointed out, the future is not the problem, it is the past that is at stake:

> What about the millions of articles online in full text that date back to the 1970s and 1980s,

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[11] The importance of easy access to such information has been recognized for decades. *See* CONTU Final Report, at 38 ("Copyright applied to databases should encourage the development and dissemination of useful stores of information to make this information readily available to the public. In addition, database proprietors should be encouraged to publish and register their copyrighted works, thereby creating a public record of the existence of the works and, in turn, make possible public awareness and utilization of their works."). The Register of Copyrights has recently reaffirmed this point: "Collections of information, or databases, are increasingly important to the U.S. economy and culture, both as a component in the development of the global information infrastructure and as a means of facilitating scientific, educational and technological advancement." *Collections of Information Antipiracy Act: Hearings on H.R. 2652 Before the Subcomm. on Courts and Intellectual Property of the Comm. on the Judiciary*, 105th Cong. 15 (1997) (statement of Marybeth Peters, Register of Copyrights).

> and are not covered by explicit author agreements? No longer would databases contain publications cover-to-cover in full text. Only selected articles would be available online – and comprehensive searches of full-text files would be a thing of the past, since you can't search what isn't there.

Nancy Garman, *The Tasini Decision and Database Integrity*, Online, Jan. 1, 2000, at 8. The scope of this destruction should not be underestimated. Removal of freelance materials would include not only freelance works such as book reviews in newspapers and short stories in magazines, but also news stories written by freelancers, and op-ed pieces written by concerned citizens, scholars, and politicians. The result will be a loss of confidence in the completeness and accuracy of electronic archives themselves, and in the medium of electronic research as a whole, Kurt A. Wimmer, *The Digital Dilemma*, The National Law Journal, October 25, 1999, at B10, and will have a "crushing impact . . . on the widespread and easy access to information that we now take for granted." Garman, *supra*, at 8.

These consequences are fundamentally at odds with the express purposes of the Copyright Act: to increase and not to impede the "harvest of knowledge," *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 545 (1985), and to "promot[e] broad public availability of literature, music, and the other arts." *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). It has long been recognized that "[t]he monopoly privileges that Congress has authorized, while 'intended to motivate the creative activity of authors and inventors by the provision of a special reward,' are limited in nature and must ultimately serve the public good." *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 526 (1994) (citation omitted).

There can be no doubt that if the respondents prevail in this action, the public interest will not be served, and the public availability of decades' worth of valuable historical information will be lost forever because we, as a society, will be denied the full use of our technological capabilities. Such a result would inhibit the very "Progress of Science and useful Arts" that copyright is intended to promote. U.S. Const. art. I, § 8, cl. 8.

CONCLUSION

Accordingly, the decision of the Court of Appeals for the Second Circuit should be reversed.

Respectfully submitted,

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IN THE
Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.;
THE TIME INCORPORATED MAGAZINE COMPANY;
LEXIS/NEXIS AND UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY;
BARBARA GARSON; MARGOT MIFFLIN;
SONIA JAFFE ROBBINS AND DAVID S. WHITFORD,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

BRIEF *AMICI CURIAE* OF THE AMERICAN LIBRARY ASSOCIATION AND THE ASSOCIATION OF RESEARCH LIBRARIES IN SUPPORT OF RESPONDENTS

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BEST AVAILABLE COPY

QUESTION PRESENTED

Whether the U.S. Court of Appeals for the Second Circuit erred in ruling that 17 U.S.C. §201(c) does not confer upon commercial electronic database publishers the privilege of reproducing and distributing Respondents' copyrighted articles in and through the commercial electronic databases described in the Second Circuit's ruling.

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INTERESTS OF *AMICI CURIAE*[1]

This brief *amici curiae* in support of Respondents is submitted by the American Library Association and the Association of Research Libraries ("*amici*") pursuant to Rule 37 of the Rules of this Court. *Amici* urge that the Court affirm the judgment of the U.S. Court of Appeals for the Second Circuit.

The **American Library Association** ("ALA") is a nonprofit educational organization of approximately 61,000 librarians, library educators, information specialists, library trustees, and friends of libraries representing public, school, academic, state, and specialized libraries. ALA is dedicated to the improvement of library and information services and the public's right to a free and open information society.

The **Association of Research Libraries** ("ARL") is a nonprofit association of 122 research libraries in North America. ARL's members include university libraries, public libraries, government and national libraries. Its mission is to shape and influence forces affecting the future of research libraries in the process of scholarly communication. ARL programs and services promote equitable access to and effective uses of recorded knowledge in support of teaching, research, scholarship and community service.

* * * *

Amici are organizations devoted to representing the interests of institutions and professionals responsible for collecting and preserving historical, scholarly and other records, including periodicals and other collective works, and for making these materials available to researchers and the

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[1] Letters from all parties consenting to the filing of this brief have been filed with the Clerk of this Court. No counsel for a party authored this brief in whole or in part, and no person or entity other than *amici curiae*, or their counsel, made a monetary contribution to the preparation or submission of this brief.

public at large. These institutions and individuals assist their patrons in researching, retrieving and using these materials in traditional paper media, in microform, in CD-ROM and other multi-media formats and via online services and the Internet. A significant part of their mission is to make available reliable, accessible, comprehensive repositories of back issues of newspapers, magazines, journals and other periodicals. Many institutional and individual members of *amici* subscribe to the very electronic databases and CD-ROM products that are at issue in this case. For these reasons, *amici* submit this brief to assist the Court's understanding of the practical implications of the issues at stake in this case.

SUMMARY OF ARGUMENT

The Second Circuit held that the narrow privilege defined in Section 201(c) of the Copyright Act does not confer upon commercial electronic database publishers the privilege of reproducing and distributing the copyrighted works of freelance authors in and through certain online electronic databases and certain CD-ROM products. This ruling potentially presents significant challenges and costs to the publishing community and indeed to libraries. But the ruling is consistent with a copyright system designed to further the public interest through rewarding the creative labor of authors. Although the challenges it presents are significant, affirming the Second Circuit's judgment need not unleash the dire consequences predicted by Petitioners and their supporting *amici*. This Court should not be persuaded to adopt a strained reading of Section 201(c) in order to avert those potential consequences. *Amici* suggest that there are constructive ways for this Court to address the remedial phase of this case so as to protect both the interest in fairness to freelance authors and the public interest in access to their works without precipitating the crisis Petitioners envision.

First, commercial electronic database publishers overstate their role as the nation's "electronic archives" and the extent

to which the "physical library has been replaced by the electronic archive." (Brief for Advance Publications, Inc., *et al.* ("Publishers' Brief") at 5.) As applied to Petitioners' products, the terms "electronic libraries" and "electronic archives" are misnomers. Despite the utility and wide availability of commercial electronic databases, they are collections of information designed to meet particular market demands and do not fulfill the traditional roles of libraries and archives. Further, access restrictions and licensing practices of many commercial electronic database publishers are designed to limit access to digital copies of works. These restrictions perpetuate a system of payment by end-users of ongoing subscription fees and/or "pay per use" fees to obtain access to works, often to the detriment of legitimate fair use and archival concerns.

Second, Petitioners and their *amici* exaggerate the consequences of the Second Circuit's decision. They insist that it necessarily will force commercial electronic database publishers to delete articles from databases, destroy CD-ROM products, and take other drastic actions that will devastate archives and prevent the public from having "meaningful access" to back issues of periodicals. In making these broad pronouncements, however, Petitioners ignore the discretion that Congress has reposed in the courts in the remedial provisions of the Copyright Act. These provisions would permit the courts to balance the public interest in access to the works at issue in this case and the freelance authors' interest in compensation for their exploitation.

Section 502(a) of the Act provides that "[a]ny court having jurisdiction of a civil action arising under this title *may*...grant temporary and final injunctions *on such terms as it may deem reasonable* to prevent or restrain infringement of a copyright." 17 U.S.C. §502(a) (emphasis added). As has been recognized in the jurisprudence of this Court, this discretion clearly includes withholding injunctive relief and awarding damages to a complaining plaintiff. It also enables

courts to fashion prospective relief that preserves public access to works while ensuring that freelance authors are fairly compensated. In the view of the *amici*, the public interest militates against courts imposing ordinary injunctive relief in special circumstances like those in this case.

The potential difficulties of identifying and obtaining permissions from a large group of freelance authors can be greatly simplified according to how the remedy is structured. The courts and/or the parties can devise and administer a system of monetary relief to compensate freelance authors for past acts of copying and distribution of their works and pay them continuing royalties for future use of their works by commercial electronic database publishers. There are statutory, private and judicially devised models for systems that would enable commercial electronic database publishers to maintain digital collections that would remain accessible to the public, while at the same time guaranteeing that freelance authors are fairly compensated.

Finally, even if Petitioners and similarly situated parties ultimately choose to remove certain works from commercial online databases, these works will remain available through other avenues. Hard copies and microform copies of these works will not cease to exist. Publicly accessible, non-commercial libraries and archives are entitled, under circumstances described in Sections 107 and 108 of the Copyright Act, to reproduce and distribute works that are not otherwise available on the market or that are used by scholars. This ruling should not jeopardize future uses of traditional media compilations of entire issues of a series of collective works like print and microfilm editions. These versions have typically involved the reproduction and distribution of individual works "as part of" the entire, original collective works in which they had originally appeared, thus falling squarely within the Section 201(c) privilege.

ARGUMENT

The Second Circuit held that the narrow privilege defined in Section 201(c) of the Copyright Act does not confer upon commercial electronic database publishers the privilege of reproducing and distributing the copyrighted works of freelance authors in and through certain online electronic databases and certain CD-ROM products. While this ruling presents significant challenges to commercial electronic database publishers, and indeed libraries, it need not mean that scholars, libraries, and other institutions will be denied access to recent, digitized records. The ruling clearly requires payment of remuneration to the freelance authors whose works have been reproduced in online electronic databases and CD-ROM products and distributed to the public in a manner other than "as part of" the types of collective works specified by Section 201(c). It may entail potentially high transaction costs associated with identifying and negotiating use licenses with individual freelance writers or their heirs. There is understandable concern with the potential adverse consequences of the scenarios predicted by the commercial electronic database publishers and their supporting *amici*—both to their commercial interests and to the public interest—that could arise should this Court affirm the Second Circuit's ruling. Nevertheless, the dire consequences anticipated by the Petitioners and their supporting *amici* are hardly preordained. By affirming the Second Circuit's ruling and ordering relief that would permit an efficient system of payment to freelance authors, this Court would ensure that the creative labors of freelance authors are compensated when their works are exploited in the digital environment.

I. THE "ELECTRONIC ARCHIVE" HAS NOT "REPLACED" THE "PHYSICAL LIBRARY"

A. Petitioners And Their Supporting Amici Portray Themselves As Modern Libraries When They Are Not

Petitioners and their supporting *amici* portray themselves as modern, multifaceted libraries, equating computer files with works in a library collection, and computer servers with library storage stacks. (Petitioners' Brief at 3, n.2.) These parties dramatically overstate their role as the nation's "electronic archives" and the extent to which the "physical library has been replaced by the electronic archive." (Publishers' Brief at 5.) Despite the utility and wide availability of commercial electronic databases, it is a misnomer to characterize them as "libraries" or "archives."

Commercial electronic database publishers are not "libraries" in some very fundamental respects. Although their rhetoric suggests that they are altruistic custodians of the nation's knowledge, open to all comers, this is not the case. Commercial electronic database owners are sophisticated business enterprises that derive substantial sums from licensing online electronic databases and CD-ROM products to end-users who incur subscription charges, transactional search fees, and/or charges for time spent online. Petitioners' databases are widely available and provide an important resource to researchers and the public, but usually only upon payment of significant fees by individual end-users or institutional subscribers who make them available to their patrons. Those researchers and members of the public who are less affluent, and who are on the wrong side of the "digital divide" in this country, still rely and will continue to rely on traditional, "brick and mortar" libraries and archives. These institutions provide the public with access to works in allegedly outmoded and old-fashioned paper and microform copies, and likewise endeavor to provide the public with

access to many electronic resources at low or no cost to the end-user. Such access is possible as not-for-profit libraries expend well over $2 billion per year for information resources.

There is no support for the sweeping claim that "the physical library has been replaced by the electronic archive." (Publishers' Brief at 5.) The "physical library" has been augmented, but not "replaced," by electronic archives, just as traditional library services in general are being augmented by new forms of technology.[2] Institutional libraries remain vital to researchers and to our communities. "Libraries do not serve merely individual, informational, and recreational interests, but are part of the essential fabric of our society—its fragile cultural and social ecology." Arthur Curley, *Towards a Broader Definition of Public Good,* in *Libraries, Coalitions and the Public Good* 36 (E.J. Josey, ed., 1987).

B. Petitioners' Archival Claims Are Exaggerated

Use of the term "electronic archive" to refer to the Petitioners' products is also a misnomer. Electronic databases make it much easier to access information resources, and make possible the manipulation and use of data in powerful ways not possible with analog media. But this does not translate into the ability of any particular electronic medium to serve an archival or preservation function. It may be true that some libraries have reduced their analog media holdings and make growing use of digital information collections. But for research libraries, for whom

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[2] Over the course of history, "libraries" have evolved and these institutions have preserved works in all media, from ancient means of communication, like clay tablets, papyrus, and parchment, to paper writings, drawings, and maps, to analog photographs, sound recordings, film, video, and now digital media. Recent federal legislation, for example, specifically targets improvement of information access at libraries through technology. Library Services and Technology Act of 1996, 29 U.S.C. §9121.

preservation and access are central to their mission, retention of paper and microfilm continues because these are the only proven preservation media. Indeed, a growing number of research libraries (almost eighty) rely upon offsite storage facilities to accommodate the burgeoning growth of their physical collections.[3]

Electronic media may have some advantages over other media for preservation purposes and may be the only viable means for preserving certain fragile material. (*See* Brief of *Amici Curiae* Ken Burns, *et al.* ("Historians' Brief") at 10.) But what the Historians' Brief fails to note is that the same Library of Congress report they cite goes on to observe that electronic media "may introduce new preservation problems of their own."[4] In fact, digital reformatting is not yet considered a standard preservation strategy. Abby Smith, Council on Library and Information Resources, Why Digitize? at 3-7 (1999) ("Smith"). Though digitization of content is sometimes loosely referred to as "preservation," digitization does not yet afford the permanence and authenticity[5] necessary for it to serve as a true preservation

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[3] Even research libraries that are investing heavily in electronic resources are approaching the replacement of their paper resources with caution. *See* Peter Allison & Carolyn Mills, *Library Investing Heavily in Electronic Journals*, UCONN Libraries, Feb./Mar. 2001, at 6.

[4] *Commission on Physical Sciences, Mathematics, and Applications, National Research Council, LC21: A Digital Strategy for the Library of Congress* at 6-2 (2000) ("Library of Congress Report").

[5] It may be difficult to ascertain the authenticity and integrity of an image, database, or text when it is in digital form. In essence, one can change the bit stream of a file and leave no record that it has been altered. By contrast with traditional media, where evidence of a forgery is often carried in the physical medium itself (e.g., the chemical composition of the ink and the date of the paper, physical signs of modification or erasure), it is more difficult to detect a forgery in the digital environment. Smith, *supra*, at 6. This level of authenticity may not be routinely necessary to most researchers, but it is important to keep in mind that this

medium that is free "from physical deterioration." (Publishers' Brief at 2.)

> Microfilm, the preservation reformatting medium of choice, is projected to last several centuries when made on silver halide film and kept in a stable environment. It requires only a lens and a light to read, unlike computer files, which require hardware and software, both of which are developed in often proprietary forms that quickly become obsolete, rendering information on them inaccessible.

Smith, *supra*, at 4. Certain digital media, like magnetic tape, are inherently unstable and can degrade within a decade, *id.*, and their use as archival media presents significant logistical hurdles. *See* 36 C.F.R. § 1234.30 (regulations of National Archives and Records Administration on maintenance of electronic records storage). Even so, magnetic tape remains the archival choice over CD-ROMs, which are not at this time considered an archival medium.[6]

All libraries and archives face a number of challenges in dealing with the preservation of digital objects: fragile storage media, technology obsolescence and legal questions surrounding copying and access.[7] These challenges were recognized just recently by Congress in its appropriation of

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distinguishes digital media from true preservation media for archival purposes.

[6] The stability of the media is not the only issue. There is also the issue of media obsolescence. The Copyright Act recognizes that a format has become obsolete "if the machine or device necessary to render perceptible a work stored in that format is no longer manufactured or is no longer reasonably available in the commercial marketplace." 17 U.S.C. §108(c). In order to keep data fresh and encoded in readable file formats, it is necessary for digital data to migrate from one format to another. Smith, *supra*, at 4.

[7] Library of Congress Report, *supra*, at 4-2.

$100 million to the Library of Congress to establish "a national digital information infrastructure and preservation program." The agreement calls for up to $75 million of the appropriation to be matched by non-federal contributions and singles out "the information and technology industry that has created this new medium" to be "a contributing partner in addressing digital access and preservation issues inherent in the new digital information environment." 146 Cong. Rec. H12304, H12309 (Dec. 15, 2000). The solutions to these challenges are being sought, but they are not yet available.

C. Petitioners Are Not Altruists Serving The Public-At-Large, But Are Commercial Businesses Requiring Licensed Access To Collections

Further separating these so-called "electronic archives" from traditional archives are the contractual obligations that restrict the use and preservation of "electronic archives." For example, an online version of a work in a collective database, such as NEXIS, may be subject to a variety of payment, time and use limitations. Commercial databases and CD-ROMs are also often subject to electronic access controls that end-users may not circumvent without violating contractual provisions and, most recently, Section 1201 of the Copyright Act.[8] A library can acquire a paper or microform copy of a

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[8] 17 U.S.C. §1201, *et seq.*, was adopted as part of the Digital Millenium Copyright Act, Pub. L. No. 105-34 (1998) ("DMCA"). The DMCA adds legal force to previously privately enforced contractual clauses. Exemptions are few. When the U.S. Copyright Office initiated a rulemaking proceeding to evaluate the nature and scope of possible exemptions from prohibitions on circumvention of access controls, commercial interests aggressively challenged any proposed exemptions. *See* 65 Fed. Reg. 64,555 (2000). In its Final Rule, the Copyright Office describes concerns that Congress had in the development of marketplace realities that could restrict access to copyrighted materials in the digital environment. "Possible measures that might lead to such an outcome included the elimination of print or other hard-copy versions, permanent encryption of all electronic copies and adoption of business models that restrict distribution and availability of works." *Id.* at 64,557-58.

book or periodical through an outright purchase of the copy. A library can preserve and access this copy indefinitely and convey it to others, with some limitations. *See* 17 U.S.C. §109(a). By contrast, a CD-ROM copy of the same work will often be subject to licensing restrictions imposed by the publisher to prevent the end-user from making various uses of the copy or from reselling it to others. A digital copy of a work can be encoded so as to prevent access to it after a certain time has elapsed and can be readily structured to permit access to it only on a "pay-per-use" basis. Although there are narrow exemptions in the statute for nonprofit library, archive and educational institutions and for public broadcasting entities, one may not circumvent these access restrictions without risk of incurring civil and/or *criminal* penalties for doing so. *See* 17 U.S.C. §1201, §§1203-04.

II. THE COPYRIGHT ACT DOES NOT REQUIRE DELETION OF WORKS FROM ELECTRONIC DATABASES OR DESTRUCTION OF CD-ROMS, AND THE COURTS CAN REQUIRE PAYMENT OF FAIR COMPENSATION IN THE FORM OF PAST AND CONTINUING ROYALTIES FOR USE OF THESE WORKS

A. The Argument That Electronic Files Must Be Destroyed Ignores Discretionary Provisions Of Section 502(a) Of The Copyright Act And The Courts' Authority To Shape Balanced Relief

Petitioners and their supporting *amici* insist that the Second Circuit's decision necessarily will force commercial electronic database publishers to delete articles from databases, destroy CD-ROM products, and take other drastic actions that will devastate archives and prevent the public from having "meaningful access" to back issues of periodicals. For example, Petitioners state that if the Second Circuit's ruling is affirmed, "Petitioners and those similarly

situated will have no alternative but to destroy any CD-ROMs that contain freelance articles and remove all freelance contributions from electronic libraries. . . ." (Petitioners' Brief at 49.) Petitioners and their supporting *amici* also insist that it would be infeasible to remunerate freelance authors due to the large numbers of works involved and the difficulty and expense of locating freelance contributors and obtaining their authorization for republication in those forms. (*See, e.g.*, Petitioners' Brief at 14, 49; Publishers' Brief at 3, 10; Brief of the Software & Information Industry Association, *et al.* ("SIIA Brief") at 24.)

In making these alarmist pronouncements, Petitioners and their supporting *amici* ignore the discretion that Congress has reposed in the courts in the remedial provisions of the Copyright Act. Section 502(a) of the Act provides that "[a]ny court having jurisdiction of a civil action arising under this title *may* . . . grant temporary and final injunctions *on such terms as it may deem reasonable* to prevent or restrain infringement of a copyright." 17 U.S.C. §502(a) (emphasis added). Indeed, it is notable that neither Petitioners nor their supporting *amici* appear to have cited or discussed Section 502 in support of their assertions that they will be "required" to delete and destroy the materials in question. While it is *possible* that the parade of horribles that Petitioners envision could come to pass, it is neither inevitable nor likely, particularly if this Court is careful to emphasize and clarify the law on this point. Certainly, a less drastic alternative is a ruling that ensures fair compensation to freelance authors, while permitting commercial electronic database publishers to continue to reproduce and distribute freelance submissions under a manageable licensing system. This solution is not only within the authority of the courts, it is also a sound balancing of the interests of freelance authors in being compensated for the exploitation of their works and the public interest in access to those works.

As has been recognized in the jurisprudence of this Court even before enactment of Section 502(a), the courts' discretion to issue injunctions against copyright infringement includes the discretion to withhold injunctive relief and to award damages to a complaining plaintiff for past or prospective infringement. Likewise, a court could condition denial of injunctive relief upon a defendant's payment of damages on either a retroactive or prospective basis.

In *Dun v. Lumbermen's Credit Ass'n*, 209 U.S. 20 (1908), this Court held that lower courts "wisely exercised" discretion in refusing an injunction against the defendant's infringing work and requiring the copyright owner to seek damages at law for infringement. In *Dun*, most of the defendant's work consisted of non-infringing material, combined with a relatively small amount of infringing material. 209 U.S. at 23. Similar circumstances may obtain here, where there is apparently a substantial amount of non-infringing material in the electronic databases and CD-ROMs in question, and where the allegedly infringing material may only comprise a fraction of the databases and CD-ROM products as a whole.

This Court has more recently recognized the discretionary nature of injunctive relief in copyright infringement cases in *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994). The Court stated there:

> [C]ourts may also wish to bear in mind that the goals of the copyright law, "to stimulate the creation and publication of edifying matter," [Leval, *Toward a Fair Use Standard*, 103 Harv. L. Rev. 1105, 1134 (1990)], are not always best served by automatically granting injunctive relief when parodists are found to have gone beyond the bounds of fair use. *See* 17 U.S.C. §502(a) . . . ; Leval 1132 (while in the "vast majority of cases, [an injunctive] remedy is justified because most infringements are simple piracy," such cases are "worlds apart from many of those raising reasonable contentions

> of fair use" where "there may be a strong public interest in the publication of the secondary work [and] the copyright owner's interest may be adequately protected by an award of damages for whatever infringement is found"); *Abend v. MCA, Inc.*, 863 F.2d 1465, 1479 (9th Cir. 1988) (finding "special circumstances" that would cause "great injustice" to defendants and "public injury" were injunction to issue), [*aff'd sub nom. Stewart v. Abend*, 495 U.S. 207 (1990)].

510 U.S. at 578 n.10. *See also New Era Publications Int'l, ApS v. Henry Holt, Co.*, 884 F.2d 659, 661 (2d Cir. 1989) (Miner, J., concurring in denial of rehearing in banc) ("All now agree that injunction is not the automatic consequence of infringement and that equitable considerations always are germane to the determination of whether an injunction is appropriate."); *see generally* 4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* §14.06[B] (2000). As these cases show, an injunction should not be the "automatic consequence" of a finding that commercial electronic database publishers have been infringing the copyrights of freelance authors.

B. Special Circumstances Support Payment Of Fair Compensation To Authors While Ensuring Public Access To Published Works

There are a number of "special circumstances" present in this case, and the public interest militates in favor of courts withholding injunctive relief, provided that commercial electronic database publishers pay just compensation to freelance writers who seek it for past and continuing uses of their works. This case is similar to the situation the U.S. Court of Appeals for the Ninth Circuit addressed in *Abend v. MCA, Inc.*, 863 F.2d 1465 (9th Cir. 1988), *aff'd sub nom. Stewart v. Abend*, 495 U.S. 207 (1990). In *Abend*, the Ninth Circuit found that the plaintiff owned the renewal copyright on a story underlying the defendants' allegedly infringing

film. The court stated that it would be appropriate to withhold injunctive relief and award only monetary compensation to the plaintiff in the form of actual damages and an apportionment of the defendants' profits. 863 F.2d at 1479-80. The "special circumstances" that justified withholding injunctive relief were that the success of the defendants' infringing work "resulted in large part from factors completely unrelated to" the plaintiff's work. *Id.* at 1479. An injunction would have prevented defendants from exploiting the new matter that comprised their work since it was not feasible for them to separate out the new matter from the plaintiff's work. *Id.* Moreover, an injunction against the defendants' work would have caused "public injury by denying the public the opportunity to view [the defendants'] classic film for many years to come." *Id.* Finally, the plaintiff could be compensated adequately for the infringement by a monetary award. *Id.*

In the instant case, the success of the Petitioners' commercial electronic databases may well result principally from the availability of authorized works, the utility of the search engine software, and numerous other factors unrelated to the inclusion of freelance articles. It may be extremely difficult to separate out the freelance articles from Petitioners' authorized content. The difficulty and transaction costs associated with seeking and obtaining permissions from freelance authors or their heirs may be high. Removal of the freelance articles also has the potential to occasion public injury. The number of works in question is unknown, but loss of access to any appreciable amount of content harms the public. There is great social value in preserving public access to these works, particularly in light of the academic and research nature of many potential uses. Even though the "electronic libraries" and "electronic archives" in question in this case are not true libraries or archives, they are useful services that are of significant value and utility to numerous individuals and institutions. To the extent that their utility is

diminished or their cost increases, the public interest is harmed.

Even though injunctive relief should not be ordered, past and continued use of freelance authors' works has generated and will generate income streams that now flow solely to the commercial electronic database publishers. It is fair for courts to afford monetary relief to freelance authors who come forward to seek payment for uses of their works that are not privileged or otherwise authorized. Although they overstate their function as "archives" and "libraries," Petitioners and their supporting *amici* understate the extent to which this case is ultimately about money. The case is fundamentally about the allocation between freelance authors and commercial electronic database publishers of income streams generated by useful—and lucrative—products that contain the works of freelance authors. The reproduction of these freelance articles into electronic databases enhances the value of the databases as a whole. Even if they are only listed as citations containing responsive search results, they give the end-user confidence in the completeness of the search. This, in turn, enhances the goodwill of the commercial electronic database publisher. The distribution of articles on an individual basis is also undoubtedly valuable to such entities.

The system of remuneration for these uses should be fair to freelance authors and not administratively burdensome for commercial electronic database publishers if such a system is to satisfy the public's concern with access.[9] The particulars

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[9] The authors would certainly appear to have incentives to assist in devising a fair system of remuneration. As noted in the Publishers' Brief, "the vast majority of freelancers might prefer continued inclusion in electronic libraries or on CD-ROM" in order to obtain the "intangible benefits of continued electronic publication and the 'free publicity' and boost to personal reputation it offers." (Publishers' Brief at 9.) (*See also* SIAA Brief at 25.) This may not be sufficient inducement for some

of such a system are surely within the abilities of the courts and interested parties to develop. But as an example of how such relief could be structured, commercial electronic database publishers could be required to pay for works on a group basis, such as is done with the voluntary system of blanket performance licenses of musical compositions administered by ASCAP and BMI. Proceeds could be placed into a trust account and distributed to freelance authors or their representatives according to agreed upon criteria.[10] It may also be appropriate to develop criteria for freelance authors to "opt out" of the system under certain conditions. But regardless of the specific structure of relief, there are ways around the "all or nothing" dilemma envisioned by Petitioners and their supporting *amici*.

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writers, however. Many writers may prefer instead to license their works and make them broadly available to the public in exchange for the same type of financial rewards that have induced the nation's commercial electronic database publishers to make these works available heretofore.

[10] Copyright law has been amenable to various legislative solutions that do not require users of works to engage in excessively burdensome clearance procedures. For example, Sections 111 and 119 were fashioned as solutions permitting retransmission of broadcast signals to cable and satellite subscribers when the cable and satellite systems pay fees to compensate program owners. *See* 17 U.S.C. §§111 and 119. Section 114 contains a compulsory licensing mechanism for the use of sound recordings in the digital environment, provided that the sound recording copyright owners are compensated for these uses. *See* 17 U.S.C. §114. The ASCAP consent decree cases in the U.S. District Court for the Southern District of New York demonstrate that the courts are equipped to supervise the reasonableness of royalty rates charged to end-users of copyrighted material. *See generally, Broadcast Music, Inc. v. Columbia Broadcasting System, Inc.*, 441 U.S. 1, 10-12 (1979) (discussing history of ASCAP consent decrees and rate-setting provisions thereof); *Buffalo Broadcasting Co., Inc. v. American Society of Composers, Authors and Publishers*, 744 F.2d 917, 922-23 (2d Cir. 1984) (same).

III. THE WORKS WILL REMAIN OR BECOME AVAILABLE THROUGH OTHER AVENUES

If the Court affirms the Second Circuit's ruling with the result that certain works were to be removed from commercial electronic databases, these works would remain available through other avenues, as other commentators have acknowledged. (*See* Historians' Brief at 12.) Hard copies and microform copies of these works will not cease to exist, and there is no credible suggestion that such copies would need to be pulled from library shelves or microfilm collections and destroyed.

Moreover, publicly accessible, non-commercial libraries and archives are entitled, under circumstances described in Sections 107 and 108 of the Copyright Act, to reproduce and distribute works that are not otherwise available on the market. Section 108, in particular, provides a "safe harbor" for certain acts of reproduction and distribution of copyrighted works by libraries and archives that are open to the public or available to all researchers working in a specialized field. *See* 17 U.S.C. §108(a)(2). The copying and distribution under this section must be for the purposes specified in the statute. These include preservation, security, replacement of copies that are damaged, deteriorating, lost, or stolen; obsolescence of the existing format in which the work is stored; and unavailability of a copy at a fair price. *See* 17 U.S.C. §108(b)-(e). These provisions minimize the risk that works at issue in this case would disappear completely from scholarly and public accessibility.[11]

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[11] Section 108 expressly states that nothing therein shall in any way affect "the right of fair use as provided by section 107 . . . ." 17 U.S.C. §108(f)(4). Thus, other acts of library and archival reproduction and distribution of works may also constitute fair use, particularly if they are for purposes of scholarship, are non-commercial in nature, and do not usurp the copyright owner's market for the original. *See* 17 U.S.C. §107. Note, however, that Section 108 also does not affect "any contractual obligations assumed at any time by the library or archives when it

Nor should traditional print or microfilm compilations of collective works cease to be reproduced and distributed. Petitioners and their supporting *amici* claim that the Second Circuit's decision effectively renders unlawful practices such as the reproduction of multiple issues of a periodical onto a single roll of microfilm (*e.g.*, a roll of microfilm containing, in chronological order, all the issues of *Time* magazine from January through June of 1999) and the distribution of the microfilm to the public. (*See, e.g.*, Petitioners' Brief at 19, 45; Publishers' Brief at 3.) This prediction surely overstates the effect of the Second Circuit's decision.

It is permissible under Section 201(c) as construed by the Second Circuit for the owner of a collective work to reproduce an exact facsimile of a complete collective work, whether in paper or microform. This would be true even if multiple, exact reproductions were combined into a single package in which several entire issues of a series of collective works would be distributed as a unit (like traditional microfilm). When one distributes the constituent works in this form, one is both reproducing and distributing them "as part of" the original collective works, as provided for in Section 201(c), including all of the selection, coordination, and arrangement of the original collective works. These practices are therefore not problematic under the Second Circuit's decision,[12] and suggestions to the contrary are unfounded.

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obtained a copy or phonorecord of a work in its collections." 17 U.S.C. §108(f)(4). Thus, if a work only exists in a digital format—like an encrypted CD-ROM subject to a highly limiting "click wrap" license purporting to restrict fair use copying—the CD-ROM's publisher might attempt to prevent the library or archive from exercising the rights provided under Section 108. The publisher itself could thereby perhaps defeat preservation and public accessibility of the works embodied in the disk.

[12] By contrast, many works at issue in this case are effectively distributed on an "a la carte" basis in the form of custom-ordered (to the specifications of the end-user) new anthologies of disaggregated works

CONCLUSION

For the foregoing reasons, the judgment of the court of appeals should be affirmed.

Respectfully submitted,

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culled from multiple collective works (like the NEXIS online database). In that context, the constituent works are being distributed in a manner other than "as part of" a Section 201(c) collective work. (This is an issue distinct from whether the initial reproduction of the works onto the NEXIS servers was permissible). End-users may be responsible for "manipulation of the retrieval system" that allows "articles to be 'recombined' with other articles in a new anthology or downloaded individually" (Petitioners' Brief at 48). But end-users not having in their possession copies of the works they seek cannot "distribute" copies of those works. They can request that works matching certain criteria specified in their search be transmitted to their disk drives or printers. It is the database provider who publicly distributes to the end-users the copies requested, on an article-by-article basis, not "as part of" any qualifying collective work.

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IN THE
Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,
Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

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BRIEF OF *AMICI CURIAE* AMERICAN SOCIETY OF MEDIA PHOTOGRAPHERS, INC. *ET AL.* IN SUPPORT OF RESPONDENTS

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* Where abbrieviated, references to the legislative history correspond to the designations in the Table of Citation Conventions Used in This Brief listed *infra* at v-vi.

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TABLE OF CITATION CONVENTIONS USED IN THIS BRIEF

For clarity and ease of reference, *Amici* have adopted the same short form citations for legislative materials used by the Petitioners in their opening brief, which are reprinted below for the Court's convenience.

Full Title of Source	Short Form
Statutes	
Copyright Act of 1976, *codified at* Title 17, U.S.C.	"Act" or "1976 Act"
Copyright Act of 1909, ch. 320, 35 Stat. 1075 (*codified at* former Title 17, U.S.C.), *repealed by* Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541 (effective January 1, 1978)	"1909 Act"
Congressional Committee Reports	
H.R. Rep. No. 1476, 94th Cong., 2d Sess. (1976), reprinted in 1976 U.S. Code Cong. & Ad. News 5659	"H.R. Rep. No. 1476"
S. Rep. No. 473, 94th Cong., 1st Sess. (1975)	"S. Rep. No. 473"
H.R. Rep. No. 1476, 94th Cong. 2d Sess. (1976)	"H.R. Rep. No. 1476"
Copyright Law Revision Studies and Reports	
Studies Prepared for the Subcomm. on Patents, Trademarks and Copyrights of the Senate Comm. on the Judiciary, 86th Cong., 2d Sess., Study No. 11, Divisibility of Copyrights (A. Kaminstein) (1960)	"Study 11"

TABLE OF CITATION CONVENTIONS—Continued

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Discussion and Comments on Report of the Register of Copy-Rights on the General Revision of the U.S. Copyright Law, 88th Cong., 1st Sess. Copyright Law Revision, Part 2 (H. Judiciary Comm. Print 1963)	"Copyright Law Revision Part 2"
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Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright law; 1965 Revision Bill, 89th Cong., 1st Sess., Copyright Law Revision, Part 6 (H. Judiciary Comm. Print 1965)	"Copyright Law Revision, Part 6"

INTERESTS OF AMICI CURIAE

The American Society of Media Photographers, Inc., *et al.* respectfully submit this brief as *amici curiae* in support of the Respondents Jonathan Tasini, *et al.* (collectively "Respondents") in this case. A complete listing of the twenty organizations comprising the *amici curiae* is set forth in Appendix A to this brief.[1]

The *amici curiae* organizations supporting the Respondents in this case represent the interests of a substantial proportion of freelance creators in the United States. In particular, the membership of the *amici* organizations include thousands of freelance photographers, writers, graphic artists, fine artists and cartoonists (collectively "freelance authors") who produce an enormous range of creative material for publications distributed throughout the world, and for other clients outside of the publication arena.

The vast majority of the freelance authors represented by *amici* retain the copyrights to their creative works. They do so because preserving, and to the extent possible exploiting, the economic value of those copyrights are essential to their economic survival. Whether their works are created on assignment for a client (*e.g.*, shooting photographs in Bosnia for a national news magazine) or on their own initiative, the freelance authors represented by *amici* rely heavily on their copyrights for their livelihoods, and in many cases for their retirements. In fact, it is precisely the creative talents of freelance authors such as those represented by *amici* that the copyright laws are intended to nurture and sustain.

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[1] Pursuant to this Court's Rule 37.6, *amici* state that no counsel for any party authored this brief in whole or in part, and that no person or entity other than *amici*, its members, or its counsel, made a monetary contribution to the preparation or submission of this brief. The parties have consented to the filing of this *amici curiae* brief, and letters evidencing such consent have been filed with the Clerk of this Court, pursuant to S. Ct. R. 37.3.

These freelance authors have two principal interests in this case. The first interest is one that they share with all those who have an economic stake in an information age now at the beginning of a digital revolution. That interest is, in short, the right to participate in new markets for the reuse of published material, and thus to secure new potential sources of income.

The rapid pace of technological change in an increasingly information-based economy has opened up new and potentially lucrative markets for what is colloquially called "content." Publishers and other content distributors interested in exploiting these new markets can choose from a variety of media, ranging from print to multiple forms of digital media, in offering customers access to content. However technologically advanced or easily accessible these products or services may be in terms of use, their commercial success is nevertheless largely determined by the quality and appeal of the content itself.

Freelance authors, no less than publishers, wish, and are entitled, to participate economically in the new markets for their works opened up by relatively new technologies such as digital media. Freelance authors are, like publishers, in the business of disseminating their works to the public. Publication photographers, for example, such as those represented by the American Society of Media Photographers (one of the *amici* submitting this brief), take photographs that they believe will be of interest to others. Publication photographers want their photographs to be seen and appreciated by the widest possible audience, for that is how they establish their reputations and, consequently, their value in the marketplace.

It should go without saying that freelance authors expect to be compensated for the widespread dissemination of their works by publishers and others. For freelance authors, this case presents the question whether they can assert their copyrights to demand payment for the repackaging and reuse

of their content into "new media" products and services. The issue is not, as Petitioners portray it, whether freelance authors can or will use their copyrights to restrict dissemination of their works in such new media. That specter, conjured up by Petitioners and their *amici*, is consistent neither with the realities of the marketplace nor with the real-world objectives of freelance authors who want their works to be seen and appreciated by the public. Instead, the central issue in this case is whether freelance authors will be compensated for the repackaging and reuse of their works in new media. Petitioners wish to be the *only* beneficiaries of the economic potential of these new media. Freelance authors simply wish to *share* in this economic exploitation of their works.

The second interest of freelance creators in this case is closely related to the first: it is to ensure the opportunity to realize the economic potential of their copyrighted works before their value is damaged or destroyed through worldwide and instantaneous distribution by digital media such as computer-based databases. While new media create opportunities for broader and more efficient distribution of copyrighted materials, digital media such as NEXIS also present the danger that the authors' future markets for those works may effectively be destroyed. The instant availability of an article on NEXIS, for example, enables millions of people to gain access to the work via their computers. The widespread dissemination of copyrighted articles and photographs through other digital media such as CD-ROM often effectively precludes any further licensing of the works on a limited, or even any, basis. The ease of digital distribution of copyrighted materials may further impede, if not destroy, the non-exclusive licensing market for the works. In short, the *only* opportunity for freelance authors to obtain some economic return from the reuse of their works (beyond the compensation paid by publishers for one-time use of the material) is when they are dumped indiscriminately into large

databases available to millions by pressing a key on their computers. Thereafter, it is unlikely that anyone would be interested in paying the authors for the use of those works.

This conclusion is reinforced by the views of the current Register of Copyrights, Marybeth Peters. In a letter to Congressman James P. McGovern expressing her views on this case, the Register observed that "freelance authors have experienced significant economic loss since" the enactment of the 1976 Act. 147 Cong. Rec. E182 (daily ed. Feb. 14, 2001) (attached hereto as Appendix B), App. B 4a. This loss has occurred, in the Register's judgment, in part because of the unequal bargaining power between authors and publishers. *Id.* Significantly, however, this loss has also been caused by the impact the digital revolution has had on what used to be a thriving secondary market for authors' contributions to collective works. *Id.* Now that these contributions are readily accessible through electronic media such as NEXIS, no other publication, whether it be regional, national or a syndicate, is willing to pay the authors of such contributions for further uses of these works. *Id.* At the same time, according to the Register, that same digital revolution "has given publishers opportunities to exploit authors' works in ways barely foreseen in 1976." *Id.*

Finally, the hard reality Petitioners never mention is that they have traditionally paid *only* for one-time publication of the works of freelance authors. For example, *The New York Times* currently pays freelance photographers a day rate of $150. *See* Second Cir. J.A. at A123, A295-96. This means that, for that money, *The New York Times* receives as many photographs as the photographer shoots on the day's assignment, along with the first-time, one-time right to publish as many of those photographs as it chooses. These sums bear no relation to the downstream value of the works when they are republished in databases or CD-ROMs, and they have not changed significantly since the days long before digital databases and CD-ROMs were even heard of.

There is no negotiation over what additional compensation should be paid for the reuse; publishers take the position that none is owed to the creators of the works because of section 201(c). Thus, the stark facts are that for a few hundred dollars, publishers claim the right initially to publish freelance articles and photographs, and then to drop them into databases and other media for further distribution for the exclusive benefit of publishers and their secondary distributors.

As demonstrated below, and as further supported by the views of the Copyright Office regarding a provision that it was instrumental in drafting, this was not the bargain struck by authors and publishers, under the leadership of the Copyright Office, when the terms of section 201(c) were crafted and subsequently adopted by Congress. The unilateral reuse of authors' works in databases and other media goes well beyond the narrow grant under section 201(c) of the right to use photographs and articles in "any revision" of "that collective work" in which they first appeared. Accordingly, publishers and distributors of new media collections of collective works must be required to pay fair compensation to authors for this unauthorized reuse of their copyrighted works.

SUMMARY OF ARGUMENT

This case presents an old problem in a new guise. As is so often the case in statutes this Court has occasion to interpret, Congress did not define a key statutory term—"any revision" in section 201(c)—that has become a major point of dispute between authors and publishers. The origins of that dispute are found in the events and negotiations preceding the enactment of section 201(c) and the rest of the 1976 Copyright Act. Those origins shed light on the true nature of the compromise crafted by the Copyright Office a decade before Congress eventually codified it in section 201(c) of the 1976 Act.

Under the terms of that bargain, authors were given the assurance that they had been lacking under the 1909 Act: presumptive copyright ownership of their contributions to collective works. Publishers were accorded certain limited rights to use authors' contributions—limited rights that were painstakingly negotiated and that were plainly meant to be subsidiary to the fundamental purpose of enhancing the copyright status of authors. Section 201(c), therefore, was enacted to rectify the unintended impact of the 1909 Act on the rights of authors, and to codify certain trade practices that reflected a fair allocation of rights between authors and publishers. Under the "indivisibility" doctrine of the 1909 Act, publication of a "composite" (now collective) work under the publisher's copyright notice vested copyright in the entire collective work, including the author's contribution, in the publisher. 17 U.S.C. § 3 (1909 Act). The author thus became the mere licensee of his contribution, and was effectively foreclosed from protecting his rights in the contribution.

Against that backdrop created by the 1909 Act, authors and publishers struggled to define their respective rights to contributions to collective works such as newspapers, magazines and encyclopedias. In the case of newspapers and magazines, publishers were generally given "first publication" rights only. With respect to certain kinds of collective works such as encyclopedias, publishers would have received the additional right to republish the contribution in later editions of the collective work. The 1909 Act was generally viewed by the participants on both sides as impeding rather than facilitating these transactions.

Section 201(c) of the 1976 Act swept away the legal obstacles erected by the 1909 Act to the authors' transfers of limited rights in contributions to collective works while retaining copyright ownership of those contributions. In the words of the current Register of Copyrights, "[s]ection 201(c)

was intended to limit a publisher's exploitation of freelance authors' works to ensure that authors retained control over subsequent commercial exploitation of their works." 147 Cong. Rec. E182 (daily ed. Feb. 14, 2001), App. B 4a. That purpose would be thwarted if section 201(c) is construed, as urged by Petitioners, to give publishers of collective works "an unintended windfall" at the expense of authors. *Id.* at 3.

Between 1961 and 1965, when the Register of Copyrights prepared the first and last drafts of what became section 201, authors and publishers, together with the Copyright Office, negotiated the terms of a compromise that freed authors from the shackles imposed by the 1909 Act and gave publishers certain limited rights in those contributions, consistent with then-prevailing trade practices. Nothing in that compromise effectuated the open-ended grant to publishers that Petitioners urge should now be adopted as this Court's statutory interpretation.

Acceptance of Petitioners' twisted interpretation of section 201(c) would be a perverse and tragic outcome. Rather than view section 201(c) as what it was—an effort to restore authors' copyrights in their contributions and at the same time grant publishers certain limited rights in those contributions consistent with then-prevailing trade practices—Petitioners would have this Court adopt an interpretation that would effectively eviscerate authors' copyrights in their contributions. This is precisely the opposite result sought to be achieved by the compromise negotiated by authors, publishers, and the Copyright Office, and intended by Congress when it codified this compromise in section 201(c). The essence of that compromise is the *reaffirmation* of authors' copyrights in their contributions and the *limited grant* to publishers of the "privilege" of including the contributions in any revisions of that particular work—not, as the Petitioners would have it, in subsequent collections of

collective works such as those found in NEXIS. As the Register of Copyrights has succinctly put it:

> Although "revision" is not defined in Title 17, both common sense and the dictionary tell us that a database such as NEXIS, which contains every article published in a multitude of periodicals over a long period of time, is not a revision of today's edition of The New York Times or last week's Sports Illustrated.

147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 8a.

Petitioners and their *amici* seek cover for their attempted rewriting of section 201(c) by claiming that the alternative would destroy databases and impair the historical record. These apocalyptic predictions are as false here as they are in other contexts. Affirmance of the Second Circuit would not require publishers to remove freelance authors' contributions from databases, but rather simply to pay for their reuse. Finding and negotiating with freelance authors is neither impractical nor impossible, as Petitioners and their *amici* claim. If Petitioners and their *amici* can find and remove freelance author contributions from their databases—a process they claim has already begun—they can, if required to do so, negotiate reasonable fees for reuse of the authors' material in digital media.

Finally, the Act confers upon the federal courts broad latitude to draft appropriate relief that does not wreak the havoc that publishers and their *amici* predict. Federal courts are empowered to deny broad permanent injunctive relief to prevailing plaintiffs in appropriate circumstances and to fashion narrower injunctive relief coupled with monetary remedies that reflect past and future payments for continuing reuse of authors' contributions. There is no basis in law or practice for Petitioners' ominous warnings about the impending destruction of databases and new media that they claim would flow from rejection of their argument. In fact, as

the Register of Copyrights has suggested, recognition of authors' rights in this litigation would not necessarily, or even preferably, result in an injunction; the better result, in the Register's view, would be "a monetary award that would compensate the authors for past and continuing unauthorized use of their works." 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 10a.

The real consequence of affirmance of the Second Circuit's decision—and the outcome that Petitioners really fear—is that they would have to pay fair compensation for their unilateral and unauthorized reuses of authors' contributions to collective works. The Respondents in this case, and freelance authors everywhere, are entitled to no less.

ARGUMENT

I. THE LEGISLATIVE HISTORY OF SECTION 201(c) DEMONSTRATES THAT IT WAS INTENDED TO PROTECT AUTHORS' COPYRIGHTS IN CONTRIBUTIONS TO COLLECTIVE WORKS AND TO GRANT PUBLISHERS LIMITED RIGHTS IN THOSE CONTRIBUTIONS

As this Court has recognized, the legislative history of the 1976 Copyright Act is an indispensable resource in divining the intent of Congress. *See Center for Creative Non-Violence v. Reid*, 490 U.S. 730, 747-48 (1989). That legislative history is particularly useful where, as here, Congress did not expressly define the critical statutory phrase that has led the parties to this Court: the meaning of "any revision of that collective work" in section 201(c).[2]

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[2] While Petitioners purport to address the plain meaning of this language, their analysis of "any revision" largely ignores the significance of the statutory phrase "that collective work." As the Second Circuit properly understood, the phrase by its terms does not authorize "any

A. Background of the 1909 Act

The 1909 Copyright Act did not expressly distinguish between the copyright in a "composite work" (as collective works were then known) and the copyright in a contribution to such a work. *See, e.g.*, 17 U.S.C. §§ 1, 3, 10 (1909 Act); *see also Shapiro, Bernstein & Co. v. Bryan*, 123 F.2d 697, 699 (2d Cir. 1941) (noting that a composite work is a work "to which a number of authors have contributed distinguishable parts which they have not however separately registered"). Instead, the 1909 Act spoke in terms of a single copyright owned by a single proprietor. 17 U.S.C. §§ 1, 3, 10 (1909 Act). Accordingly, when an author transferred rights to a publisher in an article or photograph, the entire copyright in such a work passed by statute to the publisher. 17 U.S.C. § 3 (1909 Act). As an early Copyright Office study recognized, "the transferee of less than all the rights [the author] may be regarded as a mere licensee and cannot sue to enforce his rights without joining the owner of the residual rights [the publisher]." Study 11 at 1.

Compounding the problem, the 1909 Act did not trigger statutory copyright protection until a work was published with the required copyright notice. 17 U.S.C. § 10 (1909 Act). Publication of a "composite work" under the publisher's copyright notice vested statutory copyright in the entire work, including the contributions, in that publisher. *Id.* § 3.

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revision" in a vacuum, but rather with respect to a specific *preexisting* work—the particular collective work in which the author's contribution was published. Petitioners do not and cannot explain how a NEXIS database comprising a compendium of selections from a multitude of collective works could possibly be considered as fairly encompassed by the plain meaning of "any revision of that collective work." *See* 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001) (statement of Register of Copyrights) ("Although NEXIS may contain all of the articles from today's New York Times, they are merged into a vast database of unrelated individual articles."), App. B 8a.

These aspects of the 1909 Act scheme "greatly impeded" commercial transactions, producing "technical pitfalls" for both authors and publishers. 3 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 10.01[B], at 10-7 (2000). Courts relied on "trade custom" to determine what rights were conveyed, and authors were at risk of a finding that they ceded the entirety of their copyright to a publisher, however unintentionally. *See* Study 11 at 18, 21; *see also Geisel v. Poynter Prods., Inc.*, 295 F. Supp. 331, 337 (S.D.N.Y. 1968) (dispute over custom and practice in the magazine publishing arena in 1932). Predictability regarding the legal consequences of transactions involving copyrights became a casualty of the 1909 Act scheme.

Other unintended consequences worked further hardships on authors of contributions to collective works. Authors became mere licensees of the right to use their contributions as a result of having ceded their copyrights in such works to the publishers. Without joining the publishers in an infringement action, authors could not prevent others from using their contributions. Study 11 at 21. If the publisher went bankrupt or could not be found, authors were helpless to stop infringers. Furthermore, the uncertainty over the legal status of conveyance of rights in a contribution to publishers left authors in the untenable position of having to prove what rights they retained, if any, in a transaction with the publisher involving a contribution to a composite work. *Id.* at 18, 21.

B. The Register's 1961 Report

The foundation for what became section 201(c) was laid by the Register of Copyright's Report on the General Revision of the U.S. Copyright Law issued in 1961. Addressing the uncertainty concerning the allocation of rights in a composite work, the Register put forth the following recommendation:

> In the case of a periodical, encyclopedia or other composite work containing the contributions of a number of authors, the publisher should have the right to secure copyright. The copyright secured by the publisher in the composite work as a whole should cover all of the contributions not separately copyrighted; but the publisher should be deemed to hold in trust for the author all rights in the author's contribution, except the right to publish it *in a similar composite work* and any other rights expressly assigned.

Copyright Law Revision, Part 1 at 88 (emphasis added).

Under this formulation, the author would retain, albeit through a "trust" held by the publisher, all rights in his contribution, with one notable exception (the other being a general reference to "other rights expressly assigned"). That exception—the right to publish the contribution "in a similar composite work"—was the first step toward carving out certain specified rights in the contribution for the benefit of publishers. But the starting principle for this formulation was that the author would retain *all* rights in the contribution except for those specified in the provision. This principle remained unchanged and was the foundation of section 201(c) as enacted.

C. The Debate over the Register's Recommendation

Not surprisingly, the Register's recommendation ignited controversy. Authors' representatives, such as Harriet Pilpel, expressed concern that the proposed "carve-out" for publishers to use the contribution "in a similar composite work" was more than what many authors were prepared to give. Copyright Law Revision, Part 2 at 151, J.A. 568a (statement of Harriet Pilpel). Ms. Pilpel noted that under current law (the 1909 Act), an author was free to argue that "all he gave the publisher was the right to include his contribution *in that particular composite work.*" *Id.*

(emphasis added). Echoing this concern, another participant in the debate representing the recording industry proposed that the phrase "similar composite work" be replaced by a reference to "that particular composite work," thus insuring that the publisher could only use the contribution in the specific collective work in which it was to be first published (unless, of course, the parties expressly agreed otherwise). *Id.* at 153.

Another authors' representative explained this approach in terms of a presumption, once again a concept that was ultimately accepted (though the exceptions would be expanded at the publisher's behest, as discussed below):

> [W]here a short story is published in a magazine, it should be presumed that the publisher has acquired only the first serial right, or first magazine right, or whatever you call it—the right to publish in that edition—and that, in the absence of a specific assignment of other rights by the author in writing, recorded, no one would be free to presume that the publisher owned anything else, and would have to deal with the author.

Id. at 152, J.A. 570a (statement of Irwin Karp).

While extending a publisher's rights in a contribution to use in "a similar composite work" went too far for authors, their proposed restriction of a publisher's use of a contribution to the "particular composite work" did not go far enough for publishers. One of the leading spokesmen for the publishers, Horace Manges, raised the question whether "a revised edition of a composite work" would be encompassed by the phrase "that particular composite work." *Id.* at 153, J.A. 571a. The authors' response was most definitely not. *Id.* at 153, J.A. 571a-572a (statement of Irwin Karp). In response, textbook and encyclopedia publishers proposed an expanded carve-out designed to allow publishers to use the contribution in "revised editions" of composite works other than periodicals (thus excluding newspapers from the benefit

of this broadened exception).[3] *Id.* at 230, Lodging Vol. I at L-19.

The Register initially resisted accommodation of publishers' concerns about "revised editions." *See* Copyright Law Revision, Part 3 at 15, J.A. 579a.[4] But the publishers persisted, raising questions whether "a volume containing only half the material in 'that particular collective work'" would nevertheless be considered as encompassed within the publishers' presumptive privilege regarding "that particular collective work." *Id.* at 261, J.A. 591a (statement of Bella Linden).[5]

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[3] The concern expressed by textbook and encyclopedia publishers reflected existing trade custom. For magazines and newspapers, the trade custom was to convey only first serial rights. Copyright Law Revision, Part 2 at 152, J.A. 570a. Indeed, that is what the district court held the parties intended to convey here. *See Tasini v. New York Times Co.*, 972 F. Supp. 804, 812 (S.D.N.Y. 1997) (finding that the conveyance of first serial rights was at issue but that "right to publish an article 'first' cannot reasonably be stretched into a right to be the first to publish an article in any and all mediums").

In contrast, the custom of encyclopedia publishers was markedly different. Thirty-volume encyclopedias were not created anew each year; any contributor had to realize that. *See* Encyclopaedia, *Encyclopædia Britannica Online*, at http://search.eb.com/bol/topic?eu=108517&sctn=24 (last visited Feb. 9, 2001) (observing that "most major encyclopaedias" used "a system of continuous revision" in which "some percentage of the articles in a set are updated or improved in other ways on a flexible schedule," and that several publishers were able "to reprint their sets on an annual basis and to introduce into each new printing as many revised entries as possible").

[4] Hence the next version of the draft bill accorded publishers "only the privilege of publishing the contribution in that particular collective work." *Id.*

[5] Petitioners seize on this statement from the legislative history as support for their contention that the removal of photographs from daily editions of *The New York Times* and the use of the digitized text from those editions in databases such as NEXIS do not destroy their status as

D. The 1964 Draft Bills

The publishers' concerns were reflected in the Register's next draft, which was introduced to Congress in 1964 as a proposed general revision of the copyright laws. Section 14(c) established the basic principle that the author owned the copyright in his contribution subject to certain presumptive rights of the collective work publisher—including, for the first time in the debate over this subject, the right to use the contribution in "any revisions" of the "particular collective work" in which the contribution was initially published:

> (c) CONTRIBUTIONS TO COLLECTIVE WORKS.—Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, *the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work and any revisions of it.*

"revisions." Pet'rs Br. at 30-31. But petitioners' argument fails to consider the rest of the statutory language at issue. The question under section 201(c) is whether the reuse in NEXIS of textual material taken from daily editions of *The New York Times* constitutes "any revision of that collective work"—namely, "any revision" of the daily editions of *The New York Times* from which the articles were taken. No reasonable reading of the entire statutory language at issue can support Petitioners' argument that a NEXIS database or a compendium of daily editions of *The New York Times* on CD-ROM should be considered revisions of *those daily editions*. The NEXIS database, for example, is not a revision of any one edition of *The New York Times*; it is simply a compendium of all of those editions, with photographs and many other portions of the original editions removed. *See* 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001) (statement of Register of Copyrights) (stating the conclusion of the Register that the NEXIS database "is, at best, a 'new anthology,' and it was Congress' intent to exclude new anthologies from the scope of the § 201(c) privilege."), App. B 8a.

Copyright Law Revision, Part 5 at 9, J.A. 604a (emphasis added); *see* S. 3008, 88th Cong. § 14(c) (1964); H.R. 11947, 88th Cong. § 14(c) (1964).

At the time, no one involved in the debate over this language conceived the "any revisions" exception to be anything other than the limited right to make changes to a preexisting collective work. Indeed, from the perspective of the authors' representatives, their principal concern was to ensure that the "any revisions" language could not be used to enable publishers to edit each contribution to a collective work as part of "revising" it. Copyright Law Revision, Part 5 at 152, J.A. 615a.[6] Not only were authors assured that no such right was intended, they were further assured by publishers' representatives that the "any revisions" language created a narrow exception to the author's copyright in a contribution.

The Magazine Publishers Association, for example, expressed the view that the "any revisions" language granted publishers only "very limited rights." *Id.* at 149, J.A. 611a (statement of A. H. Wasserstrom). Even the publishers viewed this language as applying *only* to "the reproducing and distributing of a contribution *as a part of a particular collective work.*" *Id.* at 159, J.A. 612a (emphasis added). The publishers never envisioned this provision as broadly encompassing a publisher's attempt to create a compendium or collection of collective works, whether in a database or

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[6] Petitioners contend that this concern somehow supports their overbroad reading of the "any revisions" language. Pet'rs Br. at 31. That contention, however, *assumes* that the authors' groups agreed with the Petitioners' current definition of revision. In reality, neither this statement nor anything else in the legislative history supports the argument that authors signed off on an expansive interpretation of "any revisions" to encompass what Petitioners are now doing. All that can fairly be said is that authors and publishers agreed that the latter could utilize authors' contributions in "any revisions" to—and only to—the particular collective works in which they first appeared.

otherwise. In fact, the publishers' concern was that the "any revisions" language did not cover "the relatively simple and generally accepted right of republication [of the contribution] in the same periodical." *Id.* Both authors and publishers, therefore, viewed the "any revisions" language as confined to reuse of the contribution in an updated version of the same periodical in which the contribution was originally published.

E. The 1965 Draft Bill and Register's Supplementary Report

The publishers' desire for additional clarification of their rights with respect to a contribution led to a further amendment of the provision specifically to authorize use of the contribution in later works "in the same series" of the particular collective work in which the contribution appeared. This amendment, together with the previous language, was incorporated into new section 201(c). The Register's proposed section 201(c) was identical in all respects to the provision codified ten years later in the 1976 Copyright Act:

> Contributions to Collective Works. —Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

Copyright Law Revision, Part 6 at 220. The addition of the "any later collective work" language accommodated the concern that the "revision" language was itself narrow in scope. *See* Copyright Law Revision, Part 5 at 149. In contrast, Petitioners' current reading of "revision" reads the "any later collective work" language right out of existence, a

point properly appreciated by the Second Circuit. *See Tasini v. New York Times Co.*, 206 F.3d 161, 167-68 (2d Cir. 2000).

The principal purpose of section 201(c)—to confirm and preserve the author's copyright in his contribution to a collective work—was reaffirmed in the Register's Supplementary Report on the 1965 Revision Bill. Copyright Law Revision, Part 6 at 68-69, J.A. 625a-626a. Citing to his 1961 Report, the Register emphasized that the 1965 bill "would clarify and simplify the extremely confused and unsatisfactory situation now existing with respect to individual contributions that were not made for hire." *Id.* at 69, J.A. 626a-627a. In particular, the Register noted that:

> In conjunction with the notice provisions of section 403, the second sentence of section 201(c) would preserve the author's copyright in his contribution without requiring a separate notice in his name or an unqualified transfer of all his rights to the publisher.

Id., J.A. 627a.

The Register also provided instructive examples of what the publishers' "privileges" under section 201(c) were intended to encompass:

> Under this presumption, for example, an encyclopedia publisher would be entitled to reprint an article in a revised edition of his encyclopedia, and a magazine publisher would be entitled to reprint a story in a later issue of the same periodical. However, the privileges under the presumption are not intended to permit revisions in the contribution itself or *to allow inclusion of the contribution in anthologies or other entirely different collective works.*

Id. (emphasis added), J.A. 627a.

The illustration given by the Register of the use authorized by the "any revision of that collective work" language is

particularly noteworthy—and demonstrates how far afield the Petitioners' disputed uses of Respondents' contributions fall. That language was intended to entitle an encyclopedia publisher "to reprint an article in a revised edition of his encyclopedia." *Id.* at 69, J.A. 627a. This example says nothing about a compendium of encyclopedias, but is confined to updated versions of the encyclopedia in which the contribution first appeared.[7] No one, including the publishers' representatives, ever conceived of this provision as the sort of broad, multi-media grant that Petitioners now claim it to be.

The Register's emphasis on what section 201(c) was *not* intended to cover reinforces this conclusion. Not only were publishers forbidden from making changes to the contribution themselves, they were *expressly* precluded from incorporating the revision into "anthologies" or "other entirely different collective works." Copyright Law Revision, Part 6 at 69, J.A. 627a. An "anthology" is a "representative collection of selected literary pieces or passages." Webster's Third New International Dictionary 92 (1993 ed.). An "entirely different collective work" was plainly meant to refer to a collective work *other than* the one in which the contribution originally appeared.

The digital media in which Petitioners have republished Respondents' contributions are far closer to "anthologies" of collective works than they are to "revisions" of the particular collective works included in those digital compendiums. As the current Register stated in her recent expression of views on the issues presented by this case:

> What makes today's edition of a newspaper or magazine or any other collective work a "work" under the copyright laws—its selection, coordination and arrangement—is destroyed when its contents are dissembled

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[7] *See supra* n.3 (discussing how encyclopedias were revised).

> and then merged into a database so gigantic that the original collective work is unrecognizable.

147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 8a.

In sum, a NEXIS database or a CD-ROM containing daily editions of *The New York Times* more closely resembles a new and different collective work (in fact, a collection of collective works) than mere "revisions" of the particular collective works encompassed within them. The limited privileges accorded publishers under section 201(c) simply cannot, consistent with its legislative history, be stretched to encompass uses that the drafters—inciuding the Copyright Office—never intended or even envisioned.

F. The 1976 House Report

The essential purposes of section 201(c) as set forth by the Register in his 1965 Supplementary Report remained unchanged throughout the next decade culminating in the enactment of the 1976 Copyright Act. The House Report on the 1976 Act emphasized that "one of the most significant aims of the bill is to clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions." H.R. Rep. No. 1476 at 122, J.A. 705a. Echoing the Register's Supplementary Report, the House Report stated that section 201(c) would "preserve" the author's copyright in his contribution without requiring a separate copyright notice and without mandating any "unqualified transfer" of rights to the publisher. *Id.* This was, in the words of the House Report, the "basic presumption" of section 201(c), which was characterized as "fully consistent with present law and practice, and represents a fair balancing of equities." *Id.* at 122, J.A. 706a.

The privileges accorded publishers under the last clause of section 201(c) were viewed by the House Report as "an essential counterpart of the basic presumption." *Id.* But they were, nonetheless, intended to grant rights to use the author's

contribution only "under certain *limited* circumstances." *Id.* (emphasis added). The examples given of this limited grant paralleled those given by the Register in his 1965 Supplementary Report; with respect to "revisions," the only example given was that a publisher would be authorized to "reprint an article from a 1980 edition of an encyclopedia in a 1990 revision of it." *Id.* The publisher would *not* be authorized to include the contribution in a "new anthology" or "an entirely different magazine or other collective work." *Id.* at 122-23, J.A. 706a.

These characterizations of section 201(c) in the most definitive source of legislative history for the 1976 Copyright Act cannot be reconciled with Petitioners' attempt to rewrite the statute. The three central themes of that legislative history that were established in the years from 1961-1965 are all evident from the 1976 Report:

- The primary purpose of section 201(c) was to secure authors' rights in contributions to collective works.
- The "privileges" granted to publishers under section 201(c) were intended to be narrow exceptions to authors' copyrights in their contributions.
- The privilege accorded publishers to reproduce and distribute authors' contributions in "any revision of that collective work" was limited to use of the contributions in updates of the particular collective work in which those contributions originally appeared. The privilege does not extend to use of authors' contributions in collections of collective works, regardless of the media in which those collections are reproduced and distributed.

G. The Current Register's Views

In response to a recent Congressional inquiry, Marybeth Peters, Register of Copyrights, strongly agreed with this

reading of the legislative history of section 201(c). Like her predecessor more than 35 years ago, she viewed the scope of the section 201(c) "any revision" privilege as narrow and confined to a "new, amended, improved or up-to-date version of the original collective work." 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 8a. She viewed the legislative history's examples of "an evening edition of a newspaper or a later edition of an encyclopedia" as retaining "elements that are consistent and recognizable from the original collective work so that a relationship between the original and the revision is apparent." *Id.* No such elements are recognizable in NEXIS, where the only similarity to the original collective works consists of the *authors'* contributions. *Id.*

The Register of Copyrights, both in the years leading up to enactment of the 1976 Copyright Act and now, has unique insight into the intricacies of Congress' consideration of copyright legislation. The Register firmly believes that the Petitioners' interpretation of section 201(c) and its legislative history is without foundation in the language, purpose and history of that provision. She urges, as do Respondents' *amici* here, that the Second Circuit decision be affirmed – a result, as demonstrated here and in the Register's recent letter, fully in accord with a balanced and commonsense reading of the statute and its legislative history.

II. THE DIRE CONSEQUENCES PREDICTED BY PETITIONERS AND THEIR AMICI ARE OVERSTATED AND MISLEADING

Petitioners claim that affirmance of the Second Circuit's decision in this case would produce "devastating real world effects." Pet'rs Br. at 49. They assert that publishers will have "no alternative" but to destroy CD-ROMs and delete freelance authors' contributions from electronic archives. *Id.* Petitioners' amici go even further by predicting that the

public interest in preserving a complete historical record in the form of electronic archives would be endangered if this Court were to uphold the Second Circuit's decision. *See* Brief for Advance Publications, Inc. *et al.*, at 4-10 (filed Jan. 5, 2001); Brief *Amici Curiae* of Ken Burns *et al.*, at 5-11 (filed Jan. 5, 2001).

These predictions of disaster are overstated, misleading and incorrect as a matter of law and practicality. *First*, Petitioners and their *amici* confuse the right with the remedy. The question before this Court is whether section 201(c) authorizes the reuse of respondents' copyrighted works in various electronic media. If the Court concludes, based on its analysis of the statute and its legislative history, that section 201(c) does not confer the privilege asserted by Petitioners, the case will presumably be remanded to the district court to determine the appropriate remedies. At that time, Petitioners' concerns about the potential impact of permanent injunctive relief on electronic archives could be appropriately considered. Petitioners may then argue, if they wish, that such relief should not be granted.

Second, while petitioners and their *amici* appear to presume that purging of electronic archives would be an inevitable consequence of an affirmance, that is not necessarily so, as the Register recently made clear in her letter expressing her views on the issues presented by this case. 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 9a. ("[A]n injunction to remove these [authors'] contributions from electronic databases is by no means a required remedy in Tasini."). The statute vests broad authority in district courts to fashion appropriate injunctive relief; it does not require that permanent injunctive relief be granted in every case in which infringement is proved. 17 U.S.C. § 502(a) (the district court "may . . . grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain infringement of a copyright"). *See Weinberger v. Romero-Barcelo*, 456 U.S. 305, 313 (1982) (a

federal judge "is not mechanically obligated to grant an injunction for every violation of law"); *accord Friends of the Earth, Inc. v. Laidlaw Envtl. Servs. (TOC), Inc.*, 528 U.S. 167, 192 (2000); *Amoco Prod. Co. v. Village of Gambell*, 480 U.S. 531, 541-43 (1987). Instead, in "exercising their sound discretion, courts of equity should pay particular regard for the public consequences in employing the extraordinary remedy of an injunction." *Weinberger*, 456 U.S. at 311.

Third, should the district court on remand conclude that permanent injunctive relief is inappropriate, the court retains the authority to award respondents a "continuing royalty" for petitioners' future use of individual copyrighted articles included in electronic archives or other digital media. *See* 3 Nimmer on Copyright § 14.06[B], at 14-120 (2000). In *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984), four Justices of this Court endorsed the view that a district court might choose to award a continuing royalty or a limited injunction rather than issue broad injunctive relief. *Id.* at 499-500 (Blackmun, J. dissenting) (the majority did not need to reach the issue); *accord Dun v. Lumbermen's Credit Ass'n*, 209 U.S. 20, 23 (1908); *Universal City Studios v. Sony Corp. of Am.*, 659 F.2d 963, 976 (9th Cir. 1981), *rev'd on other grounds*, 464 U.S. 417 (1984). Indeed, the Ninth Circuit has held that continuing royalties—and not an injunction—are mandated by public policy when the effect of an injunction would have been to deprive the public of the opportunity to watch the film *Rear Window*. *See Abend v. MCA, Inc.*, 863 F.2d 1465, 1479 (9th Cir. 1988), *aff'd on other grounds sub nom. Stewart v. Abend*, 495 U.S. 207 (1990) (concluding that "special circumstances" existed justifying the denial of permanent injunctive relief despite a finding of infringement); *see also Richard Feiner & Co. v. Turner Entm't Co.*, 98 F.3d 33, 35 n.3 (2d Cir. 1996) (questioning whether an injunction would be appropriate if it would deprive the public of certain Laurel and Hardy short films). Moreover, the current Register of Copyrights has

expressed the view that given the potential impact of an injunction on scholarship and research, any remedy in this litigation "should be limited to a monetary award that would compensate the authors for the publishers' past and continuing unauthorized uses of their works." 147 Cong. Rec. E182, E183 (daily ed. Feb. 14, 2001), App. B 10a.

In *Sony*, Justice Blackmun expressed confidence that district courts would be able to fashion appropriate relief in copyright cases. 464 U.S. at 500. His warning that "the difficulty of fashioning relief and the possibility that complete relief may be unavailable, should not affect our interpretation of the statute" is as apt today as it was then. *Id.*

Third, despite the alleged impossibility of negotiating fair compensation with authors for the reuse of their contributions in digital media, Petitioners and their *amici* have yet to give it a fair try. In fact, many organizations, including, for example, the American Society of Media Photographers and its collective licensing initiative, the Media Photographers Copyright Agency, are ready and able to facilitate compensation discussions between authors and publishers. Other organizations, such as the Copyright Clearance Center ("CCC") and the Publications Rights Clearinghouse, have established procedures and valuation models for determining compensation for the use of individual copyrighted works by publishers, and those resources can be used by authors and publishers alike to ascertain the fair market value of electronic uses of individual works.[8]

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[8] *See* Copyright Clearance Center, *CCC Services*, at http://www.copyright.com/Services/services_Portal.html (last visited Feb. 9, 2001); National Writers Union, *About the Publications Rights Clearinghouse*, at http://www.nwu.org/prc/prcabout.htm (last modified July 29, 1999). In the case of stock photography, established rates exist that would be a guide to any determination of the licensing value of stock photographs.

Despite the publishers' protestations of helplessness, they generally have the upper hand in compensation negotiations with individual authors. There is no reason to believe that publishers will not be able to hold their own in compensation discussions with authors. Their reluctance to try suggests that they are simply looking for an excuse, as they have all along, to continue to exclude authors from sharing in the financial rewards generated by the reuse of their contributions in electronic media.

Finally, the irony of Petitioners' forecasts of disaster is striking. Having gone ahead and presumed that section 201(c) shields them from responsibility for compensating authors for reuse of their contributions in electronic media, Petitioners and their publisher *amici* now seek cover from the adverse consequences of their unilateral decisions. They claim that their deeds cannot be undone without harming the public interest, and they claim that negotiations with authors over compensation are impractical. In other words, according to publishers, nothing can effectively be done now to remedy the situation, and the only alternative is to bootstrap their interpretation of the statute to justify their behavior.

This is an arrogant and misguided perspective. Petitioners and their publisher *amici* made a unilateral and presumably informed decision about what they believed section 201(c) allowed them to do with authors' contributions without paying compensation. If this Court concludes that the publishers' interpretation of the statute was wrong, they should not be excused from the consequences of their erroneous interpretation. Their choice would be either to negotiate fairly with authors, or to litigate the question of appropriate remedies before the district courts.

Respectfully submitted,

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APPENDIX A

LIST OF INDIVIDUAL AMICI

Advertising Photographers of America
American Institute of Graphic Arts
American Society of Journalists and Authors
American Society of Media Photographers, Inc.
American Society of Picture Professionals
Artists Rights Society
The Authors Guild
Editorial Photographers
Garden Writers Association of America
Graphic Artists Guild
North American Nature Photography Association
Outdoor Writers Association of America
Picture Agency Council of America
Romance Writers of America
Science Fiction Writers of America, Inc.
The Society of American Travel Writers
The Society of Children's Book Writers and Illustrators
Text and Academic Authors Association
World Publications
Writers Guild of America, West

APPENDIX B

147 Cong. Rec. E182-E183 (daily ed. Feb. 14, 2001)

CONGRESSIONAL RECORD—

Extension of Remarks E182

A VIEWPOINT ON THE SUPREME COURT CASE

NY TIMES V. TASINI

HON. JAMES P. MCGOVERN
OF MASSACHUSETTS IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 14, 2001

Mr. MCGOVERN. Mr. Speaker, I submit for the RECORD this letter from Marybeth Peters, the Register of Copyrights at the U.S. Office of Copyrights, establishing her position on the U.S. Supreme Court Case, NY Times versus Tasini.

REGISTER OF COPYRIGHTS,
LIBRARY OF CONGRESS,
Washington, DC, February 14, 2001.

Congressman JAMES P. MCGOVERN,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN MCGOVERN: I am responding to your letter requesting my views on New York Times v. Tasini. As you know, the Copyright Office was instrumental in the 1976 revision of the copyright law that created the publishers' privilege at the heart of the case. I believe that the Supreme Court should affirm the decision of the court of appeals.

In Tasini, the court of appeals ruled that newspaper and magazine publishers who publish articles written by freelance authors do not automatically have the right subsequently to include those articles in electronic databases. The publishers, arguing that this ruling will harm the public interest by requiring the withdrawal of such articles from these databases and irreplaceably destroying a portion of our national historic record, successfully petitioned the Supreme Court for a writ of certiorari.

The freelance authors assert that they have a legal right to be paid for their work. I agree that copyright law requires the publishers to secure the authors' permission and compensate them for commercially exploiting their works beyond the scope of section 201(c) of the Copyright Act. And I reject the publishers' protests that recognizing the authors' rights would mean that publishers would have to remove the affected articles from their databases. The issue in Tasini should not be whether the publishers should be enjoined from maintaining their databases of articles intact, but whether authors are entitled to compensation for downstream uses of their works.

The controlling law in this case is 17 U.S.C. § 201(c) which governs the relationship between freelance authors and publishers of collective works such as newspapers and magazines. Section 201(c) is a default provision that establishes rights when there is no contract setting out different terms. The pertinent language of § 201(c) states that a publisher acquires ''only'' a limited presumptive privilege to reproduce and distribute an author's contribution in ''that particular collective work, any revision of that collective work, and any later collective work in the same series.''

The Supreme Court's interpretation of section 201(c) will have important consequences for authors in the new digital networked environment. For over 20 years, the Copyright Office worked with Congress to undertake a major revision of

copyright law, resulting in enactment of the 1976 Copyright Act. That Act included the current language of § 201(c), which was finalized in 1965 of interests.

Although, in the words of Barbara Ringer, former Register and a chief architect of the 1976 Act, the Act represented "a break with the two-hundred-year old tradition that has identified copyright more closely with the publisher than with the author" and focused more on safeguarding the rights of authors, freelance authors have experienced significant economic loss since its enactment. This is due not only to their unequal bargaining power, but also to the digital revolution that has given publishers opportunities to exploit authors' works in ways barely foreseen in 1976. At one time these authors, who received a flat payment and no royalties or other benefits from the publisher, enjoyed a considerable secondary market. After giving an article to a publisher for use in a particular collective work, an author could sell the same article to a regional publication, another newspaper, or a syndicate. Section 201(c) was intended to limit a publisher's exploitation of freelance authors' works to ensure that authors retained control over subsequent commercial exploitation of their works.

In fact, at the time § 201 came into effect, a respected attorney for a major publisher observed that with the passage of § 201(c), authors "are much more able to control publishers' use of their work" and that the publishers' rights under § 201(c) are "very limited." Indeed, he concluded that "the right to include the contribution in any revision would appear to be of little value to the publisher." Kurt Steele, "Special Report, Ownership of Contributions to Collective Works under the New Copyright Law," Legal Briefs for Editors, Publishers, and Writers (McGraw-Hill, July 1978).

In contrast, the interpretation of § 201(c) advanced by publishers in Tasini would give them the right to exploit an article on a global scale immediately following its initial

publication, and to continue to exploit it indefinitely. Such a result is beyond the scope of the statutory language and was never intended because, in a digital networked environment, it interferes with authors' ability to exploit secondary markets. Acceptance of this interpretation would lead to a significant risk that authors will not be fairly compensated as envisioned by the compromises reached in the 1976 Act. The result would be an unintended windfall for publishers of collective works.

THE PUBLIC DISPLAY RIGHT

Section 106 of the Copyright Act, which enumerates the exclusive rights of copyright owners, includes an exclusive right to display their works publicly. Among the other exclusive rights are the rights of reproduction and distribution. The limited privilege in § 201(c) does not authorize publishers to display authors' contributions publicly, either in their original collective works or in any subsequent permitted versions. It refers only to "the privilege of reproducing and distributing the contribution." Thus, the plain language of the statute does not permit an interpretation that would permit a publisher to display or authorize the display of the contribution to the public.

The primary claim in Tasini involves the NEXIS database, an online database which gives subscribers access to articles from a vast number of periodicals. That access is obtained by displaying the articles over a computer network to subscribers who view them on computer monitors. NEXIS indisputably involves the public display of the authors' works. The other databases involved in the case, which are distributed on CD–ROMs, also (but not always) involve the public display of the works. Because the industry appears to be moving in the direction of a networked environment, CD–ROM distribution is likely to become a less significant means of disseminating information.

The Copyright Act defines "display" of a work as showing a copy of a work either directly or by means of "any other device or process." The databases involved in Tasini clearly involve the display of the authors' works, which are shown to subscribers by means of devices (computers and monitors). To display a work "publicly" is to display "to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times." The NEXIS database permits individual users either to view the authors' works in different places at different times or simultaneously.

This conclusion is supported by the legislative history. The House Judiciary Committee Report at the time § 203 was finalized referred to "sounds or images stored in an information system and capable of being performed or displayed at the initiative of individual members of the public" as being the type of "public" transmission Congress had in mind.

When Congress established the new public display right in the 1976 Act, it was aware that the display of works over information networks could displace traditional means of reproduction and delivery of copies. The 1965 Supplementary Report of the Register of Copyrights, a key part of the legislative history of the 1976 Act, reported on "the enormous potential importance of showing, rather than distributing copies as a means of disseminating an author's work" and "the implications of information storage and retrieval devices; when linked together by communications satellites or other means," they "could eventually provide libraries and individuals throughout the world with access to a single copy of a work by transmission of electronic images." It concluded that in certain areas at least, " 'exhibition' may take over from 'reproduction' of 'copies' as the means of presenting authors' works to the public." The

Report also stated that "in the future, textual or notated works (books, articles, the text of the dialogue and stage directions of a play or pantomime, the notated score of a musical or choreographic composition etc.) may well be given wide public dissemination by exhibition on mass communications devices."

When Congress followed the Register's advice and created a new display right, it specifically considered and rejected a proposal by publishers to merge the display right with the reproduction right, notwithstanding its recognition that "in the future electronic images may take the place of printed copies in some situations." H.R. Rep. No. 89-2237, at 55 (1966).

Thus, § 201(c) cannot be read as permitting publishers to make or authorize the making of public displays of contributions to collective works. Section 201(c) cannot be read as authorizing the conduct at the heart of Tasini.

The publishers in Tasini assert that because the copyright law is "media-neutral," the § 201(c) privilege necessarily requires that they be permitted to disseminate the authors' articles in an electronic environment. This focus on the "media-neutrality" of the Act is misplaced. Although the Act is in many respects media-neutral, e.g., in its definition of "copies" in terms of "any method now known or later developed" and in § 102's provision that copyright protection subsists in works of authorship fixed in "any tangible medium of expression," the fact remains that the Act enumerates several separate rights of copyright owners, and the public display right is independent of the reproduction and distribution rights. The media-neutral aspects of the Act do not somehow merge the separate exclusive rights of the author.

REVISIONS OF COLLECTIVE WORKS

Although § 201(c) provides that publishers may reproduce and distribute a contribution to a collective work in three particular con-texts, the publishers claim only that their databases are revisions of the original collective works.

Although "revision" is not defined in Title 17, both common sense and the dictionary tell us that a database such as NEXIS, which contains every article published in a multitude of periodicals over a long period of time, is not a revision of today's edition of The New York Times or last week's Sports Illustrated, A "revision" is "a revised version" and to "revise" is "to make a new, amended, improved, or up-to-date version of" a work. Although NEXIS may contain all of the articles from today's New York Times, they are merged into a vast database of un-related individual articles. What makes today's edition of a newspaper or magazine or any other collective work a "work" under the copyright law—its selection, coordination and arrangement—is destroyed when its contents are disassembled and then merged into a database so gigantic that the original collective work is unrecognizable. As the court of appeals concluded, the resulting database is, at best, a "new anthology," and it was Congress's intent to exclude new anthologies from the scope of the § 201(c) privilege. It is far more than a new, amended, improved or up-to-date version of the original collective work.

The legislative history of § 201(c) supports this conclusion. It offers, as examples of a revision of a collective work, an evening edition of a newspaper or a later edition of an encyclopedia. These examples retain elements that are consistent and recognizable from the original collective work so that a relationship between the original and the revision is apparent. Unlike NEXIS, they are recognizable as revisions of the originals. But as the Second Circuit noted, all that is

left of the original collective works in the databases involved in Tasini are the authors' contributions.

It is clear that the databases involved in Tasini constitute, in the words of the legislative history, "new," "entirely different" or "other" works. No elements of arrangement or coordination of the pre-existing materials contained in the databases provide evidence of any similarity or relationship to the original collective works to indicate they are revisions. Additionally, the sheer volume of articles from a multitude of publishers of different collective works obliterates the relationship, or selection, of any particular group of articles that were once published together in any original collective work.

REMEDIES

Although the publishers and their supporters have alleged that significant losses in our national historic record will occur if the Second Circuit's opinion is affirmed, an injunction to remove these contributions from electronic databases is by no means a required remedy in *Tasini*. Recognizing that freelance contributions have been infringed does not necessarily require that electronic databases be dismantled. Certainly future additions to those databases should be authorized, and many publishers had already started obtaining authorization even before the decision in Tasini.

It would be more difficult to obtain permission retroactively for past infringements, but the lack of permission should not require issuance of an injunction requiring deletion of the authors' articles. I share the concern that such an injunction would have an adverse impact on scholarship and research. However, the Supreme Court, in Campbell versus Acuff-Rose Music, Inc., and other courts have recognized in the past that sometimes a remedy other than injunctive relief is preferable in copyright cases to protect the public interest. Recognizing authors' rights would

not require the district court to issue an injunction when the case is remanded to determine a remedy, and I would hope that the Supreme Court will state that the remedy should be limited to a monetary award that would compensate the authors for the publishers' past and continuing unauthorized uses of their works. Ultimately, the *Tasini* case should be about how the authors should be compensated for the publishers' unauthorized use of their works, and not about whether the publishers must withdraw those works from their databases.

Sincerely,

MARYBETH PETERS,
Register of Copyrights.

FEB 16 2001

No. 00-201

Supreme Court, U.S.
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FEB 16 2001
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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFE ROBBINS and DAVID S. WHITFORD,

Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Second Circuit

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BRIEF *AMICI CURIAE* OF ELLEN SCHRECKER, STANLEY N. KATZ, DAVID MONTGOMERY, LINDA GORDON, LEON F. LITWACK, BLANCHE WIESEN COOK, PETE DANIEL, MARILYN B. YOUNG, ALAN TRACHTENBERG, PETER RACHLEFF, LAWRENCE S. WITTNER, WILLIAM R. TAYLOR and DAVID L. SCHALK IN SUPPORT OF RESPONDENTS

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INTERESTS OF *AMICI CURIAE*[1]

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[1] Letters from all parties consenting to the filing of this brief have been filed with the Clerk. No counsel for a party authored this brief, in whole or in part, and no person or entity other than *amici curiae*, or their counsel, made a monetary contribution to the preparation or submission of this brief.

American legal and constitutional history. He is also active in the research field of arts and cultural policy, and currently serves as the Director of the Princeton University Center for Arts and Cultural Policy Studies in the Woodrow Wilson School, and as President of the National Initiative for a Networked Cultural Heritage. Professor Katz is currently completing a book on the behavior of non-governmental peace and conflict resolution organizations in Northern Ireland, Israel/Palestine, and South Africa in collaboration with Professor Benjamin Gidron of Ben Gurion University, Israel. The author and editor of numerous books and articles, he has served as President of the Organization of American Historians and the American Society for Legal History, and has recently been the Vice President of the Research Division of the American Historical Association. Professor Katz has just completed twelve years on the Board of Southern Methodist University, and he is a trustee of the National Faculty, the Newberry Library. He also currently serves as Chair of the American Council of Learned Societies/Social Science Research Council Working Group on Cuba. He is a member of the New Jersey Council for the Humanities, the American Antiquarian Society, the American Philosophical Society, a Fellow of the American Society for Legal History, the American Academy of Arts and Sciences, the Society of American Historians, and a Corresponding Member of the Massachusetts Historical Society. He has honorary degrees from several universities. Professor Katz received his B.A., M.A. and Ph.D. from Harvard University.

DAVID MONTGOMERY, who served as President of the Organization of American Historians during 1999-2000, was Farnam Professor of History at Yale University. He is the author of *Citizen Worker*; *The Fall of the House of Labor: The Workplace, the State, and American Labor Activism, 1865-1925*; *Beyond Equality: Labor and the Radical Republicans, 1862-1872*; and *Workers Control in America.*

He has served on the editorial boards of the Journal of American History, International Labor and Working Class History, and Labor History, and has been on the advisory board of the Canadian journal Labour/Le Travailleur. His writings have appeared in such publications as International Review of Social History and the Encyclopedia of American Economic History. He has been a consultant to Eleutherian Mills-Hagley Foundation's Museum of American Working Life and the University of Maryland's Samuel Gompers archives. He is a recipient of the Phi Beta Kappa Society's Ralph Waldo Emerson Award, the New England Historical Association's Book Award, and was a finalist for the Pulitzer Prize in History. He has also taught at the University of Pittsburgh, Warwick University, and Oxford University in England.

LINDA GORDON is Florence Kelley Professor of History at New York University. In 2000 she was awarded Columbia University's Bancroft Prize for her book *The Great Arizona Orphan Abduction*, which also received the Beveridge Prize for best book on the history of the Americas and the Willa Cather Nonfiction Prize. Her other books include *Pitied but Not Entitled: Single Mothers and the Origins of Welfare*; *Cossack Rebellions: Social Turmoil in the Sixteenth-Century Ukraine*; *Heroes of Their Own Lives: The Politics and History of Family Violence*; and *Woman's Body, Woman's Right: A Social History of Birth Control in America*. She has twice been nominated for the National Book Award in History. Professor Gordon has written for numerous publications including the American Historical Review, Journal of American History, Journal of Family History, Chronicle of Higher Education, New York University Review of Law, and American Quarterly. She has served on the U.S. Departments of Justice and Health and Human Services Advisory Council on Violence Against Women. She is a consultant to the Schlesinger Library Project for Collection and Preservation of

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LEON F. LITWACK is Alexander F. and May T. Morrison Professor of American History at the University of California at Berkeley. He is a past recipient of the Pulitzer Prize in History, the American Book Award in History, and the Society of American Historians' Francis Parkman Prize. He is a former president of the Organization of American Historians, a member of the American Academy of Arts and Sciences, and a member of the executive committee of the American Council of Learned Societies. Professor Litwack's books include *Been in the Storm So Long: The Aftermath of Slavery*; *Trouble in Mind: Black Southerners in the Age of Jim Crow*; *North of Slavery: The Negro in the Free States, 1790-1860*; and *Without Sanctuary: Lynching Photography in America*. His writings have appeared in the Journal of American History, New England Quarterly, and Journal of Negro History. He has received grants and fellowships from the Rockefeller Foundation, the National Endowment for the Humanities, and the John Simon Guggenheim Foundation. Professor Litwack has taught at the University of California at Berkeley, the University of Wisconsin, the University of Mississippi, the University of South Carolina, and several universities abroad. He received his M.A. and Ph.D. from the University of California at Berkeley.

BLANCHE WIESEN COOK is Distinguished Professor of History at John Jay College of Criminal Justice, City University of New York. She is the author of many ground-breaking works, including *Eleanor Roosevelt*, a two-volume biography; *The Declassified Eisenhower: A Divided Legacy of Peace and Political Warfare* (listed by The New York Times Book Review as one of the notable books of 1981); *Crystal Eastman: On Women and Revolution*; and *Century of Change*. She has also served on the editorial board of The Garland Library of War and Peace, a 360-volume reprint series. Professor Cook earned her M.A. and Ph.D. from Johns Hopkins University. Her fields of scholarship include women's history and U.S. international relations.

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MARILYN B. YOUNG is Professor of History at New York University, where she is currently Director of the International Center for Advanced Studies. She serves on the Council of the Society of Historians of American Foreign Policy and recently concluded a term on the Council of the American Historical Association. Her publications include *Rhetoric of Empire: American China Policy, 1895-1901*; *Transforming Russia and China: Revolutionary Struggle in the 20th Century* (with William Rosenberg); and *The Vietnam Wars, 1945-1990*. Professor Young has also edited and co-edited several anthologies, including *Women in China: Essays on Social Change and Feminism*; *Promissory Notes: Women and the Transition to Socialism* (with Rayna Rapp and Sonia Kruks); and *Vietnam and America* (with Marvin Gettleman, Jane Franklin and Bruce Franklin). She is currently a recipient of a Guggenheim fellowship and a fellowship from the American Council of Learned Societies for work on a book about the Korean War. Professor Young has twice been awarded a Golden Dozen Teaching Award and, from 1993 to 1996, served as Chair of the Department of History. She earned her Ph.D. at Harvard University.

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Professor Trachtenberg was the recipient of the International Center of Photography's Writing Award for 1991. He has held fellowships from the American Council of Learned Societies, the National Endowment for the Humanities, the Rockefeller Foundation, and the Guggenheim Foundation. He taught at the Pennsylvania State University from 1961 to 1968, and has been a member of the Yale faculty since 1969, where he has served as Chairman and Director of Graduate Studies in American Studies. His visiting positions include Fulbright professorships at Leningrad State University and at the Kyoto American Studies Seminar in Japan; the Caroline Werner Gannett Visiting Professorship in the Humanities, Rochester Institute of Technology; and a visiting professorship in the Science, Technology, and Society Program, Massachusetts Institute of Technology. He has been a fellow of the Center for Advanced Study in the Behavioral Science, Palo Alto, California, and the Woodrow Wilson Center, Washington, D.C. In 1992-1993 Professor Trachtenberg was a Phi Beta Kappa Visiting Scholar, and in 1996 he held a short-term fellowship at the Indiana University Institute for Advanced Study. In 1998-1999, he held the Times Mirror Foundation Distinguished Fellowship in American Studies at the Huntington Library. He received his Ph.D. in American Studies from the University of Minnesota.

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The *amici* represented herein are professional historians who do original research with primary sources to write peer-reviewed articles and monographs on topics of history. As professional historians, they are concerned that the Brief *Amici Curiae* submitted by Ken Burns, *et al.* in support of petitioners does not accurately portray how historians practice their craft or how they use newspapers and periodicals. The

historians herein believe that the Court will benefit from a description of how historians conduct their research, how they use a variety of sources as evidence, and how they see the use of commercial electronic databases for historical research.

SUMMARY OF ARGUMENT

Contrary to the impression given by the Burns *amici*, professional historians do not view newspapers and magazines as the most important source for their work, nor have the commercial databases of newspapers and magazines played a central role in their research. Historians are generally apt to rely more on other primary sources such as diaries, letters, memoirs, interviews, government records, maps, artwork, and literature. Indeed, a review of recent books by Burns *amici* Doris Kearns Goodwin and David McCullough show that their own historical writing relies on the whole range of available source materials. No serious historian would present a work based primarily on contemporaneous news accounts.

Moreover, since their coverage only extends back some twenty years at best, the commercial databases have so far been of marginal value to historians. Such databases were in fact designed to provide easy access to stories and documents needed by active players in the nation's economic and public life, and are not maintained with the needs of scholars in mind. Historians are more likely to need to see the newspapers in their original form, as experienced by the contemporaneous readers, to appreciate the significance and meaning of the information contained in them.

Virtually all of the available literature contradicts the Burns *amici's* view that computer databases are the only means to preserve the historical memory contained in newspapers and periodicals. The rapid changes in hardware and software, coupled with the fragility of the storage medium, make

computer databases obsolete and unreadable within a few short years. As one researcher in the field puts it, "The vision of creating digital libraries that will be able to preserve our heritage currently rests on technological quicksand."[2] The result is that the original newspapers and magazines will be available to scholars long after most of the present databases become indecipherable.

Affirmance of the Second Circuit judgment will not result in a "black hole" in the historical record. Based on petitioners' figures, the case involves approximately 0.0036% of the 2.8 billion documents available on the Nexis service. There is no basis for assuming that the relief to be granted in this case, or in a class action following the Second Circuit ruling, would require deletion of the freelance authors' contributions. It is just as likely that additional compensation to the freelance writers for the past infringements will be ordered based on a formula or set of criteria that can be efficiently administered. Even if the contributions of free-lance writers disappeared from the commercial databases, the articles in question would still be indexed and available as necessary in hard copy to historians. They are "lost to history" only if one assumes that a historian is limited by what is available on the computer screen.

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[2] Jeff Rothenberg, *Avoiding Technological Quicksand: Finding a Viable Technical Foundation for Digital Preservation, A Report to the Council on Library and Information Resources*, at 1 (Jan. 1999), also available at <http://www.clir.org/pubs/reports/rothenberg/pub77.pdf> (visited Feb. 13, 2001).

There are, to be sure, serious problems with the nation's archives, and the Burns *amici* are certainly right to be concerned with the preservation of historical records. However, the answer to preserving archives is to allocate the money and resources necessary to the task, not to sacrifice the legal rights of freelance writers to this supposed greater good. Should the defendants in this case prevail, it could cause grave damage to the role of independent writers in society. The inability to earn any more than their one-time fee for their original work, no matter how popular the article might become in the digital archives, may cause freelance writers to stop writing. The irony of the position taken by the Burns *amici* is that they regard the potential loss of past materials by freelance writers as causing "inestimable" damage to historians—yet they support an outcome that will help extinguish those same voices in the future. For these reasons, the arguments of the Burns *amici* do not provide any basis for reversing the Second Circuit's judgment.

ARGUMENT

The Burns *amici* express concern that the Second Circuit's decision "will have unexpected, unprecedented, and irreversible consequences for the integrity and accessibility of the historical record and the progress of historical scholarship." Burns br. at 4. According to them, newspaper and periodical databases have become "an irreplaceable and priceless resource" because of the way in which they simplify the tasks of researchers. *Id.* at 5. Because the databases supposedly possess such obvious advantages over the paper-printed newspapers and periodicals, libraries and other archival institutions have focused on maintaining electronic compilations of these publications, to the exclusion of the original publications. *Id.* at 5-6. If defendants are required to actually pay plaintiffs for this new electronic publication of their work, the Burns *amici* believe that the original

publishers will simply delete the contributions of freelance writers from the databases rather than attempt to obtain consent after the fact and pay fair compensation. The original articles will therefore be lost to history.

As shown below, most of these assumptions are wrong. Commercial databases of newspapers and periodical stories have not been critical to historians, although such databases may be very useful to business leaders, political commentators, and lawyers. Even when relevant, such databases do not eliminate the need for historians to seek other, generally more important primary sources. Further, the assertion that a victory for the plaintiffs will automatically result in the removal of the stories from the databases seems both extreme and unlikely. Finally, even if they will be harder to read, the articles are not going to disappear from history, because commercial databases are unlikely to be the primary record of today's newspapers and periodicals.

I. THE HISTORIANS' CRAFT DOES NOT DEPEND ON ACCESS TO COMMERCIAL ELECTRONIC DATABASES.

The brief of the Burns *amici* rests primarily on the fundamental misconception that the historical record is largely contained only in commercial computer databases, and that historians rely substantially on such commercial databases. As discussed below, newspaper and magazine articles are not usually the primary emphasis in historical research, which is concerned with a much larger universe of primary sources[3] that provide direct evidence about the past.

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[3] "A primary source gives the words of the witnesses or the first recorders of an event. Primary sources include manuscripts, archives, letters, diaries, and speeches . . . . Secondary sources are descriptions of the event derived from and based on primary sources. The line between primary and secondary sources is often indistinct, for example, a single document may be a primary source on some matters and a secondary

While the ability to quickly search commercial databases is a time-saver and can be a powerful research tool, the usefulness of such databases is limited by the relatively tiny number of historically significant documents which appear in commercial databases, and by the fact that newspaper articles are generally not the most critical source.

A. Newspaper and Magazine Articles Are Only One Among Many Sources For Historical Research.

Professional historians conduct a disciplined investigation of the facts of the past with a view toward interpreting (or re-interpreting) past human events. Writing history is really "an unending dialogue between the present and the past." E.H. Carr, *What is History* at 35 (1962).[4] The credibility of any such historical interpretation, however, depends on setting forth reliable and verifiable facts about the events in question. Just as a litigator's closing argument to the jury must rely on evidence admitted at trial according to the rules of evidence, so the professional historian must rely on the kind of evidence generally considered reliable and probative within the profession.

The brief of the Burns *amici* gives the wholly erroneous impression that central to the historian's work are the facts which can be gleaned from newspaper and magazine articles. Nothing could be further from the truth. "The variety of historical evidence is nearly infinite. Everything that man says or writes, everything that he makes, everything he touches can and ought to teach us about him." Marc Bloch, *The Historian's Craft* at 66 (1953). While contemporary

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source on others." Helen J. Poulton, *The Historian's Handbook* at 175-76 (1972).

[4] Professor Carr was for many years a Fellow at Trinity College, Cambridge.

journalistic accounts can provide a starting point for historians in examining a certain era or certain types of events and can provide vivid details to be incorporated into the final narrative, no professional historian would give automatic priority to such evidence. The critical factual data of the past is to be found in many other primary sources: diaries, private correspondence, memoirs, interviews, transcripts of government proceedings, government archives, private or corporate archives, accounting records, tax receipts, economic statistical tables, maps, photographs, movies, literature, works of art, audio tapes, medical reports, even site visits to the place of critical events—the list is inexhaustible.[5] Any professional historian who presented a monograph principally relying upon facts derived from contemporary newspapers would be justly derided by his or her colleagues. Journalism has often been described as the first draft of history—but no historian would confuse a first draft with the final product.

Although the brief of the Burns *amici* stresses the primacy of newspaper stories in writing history, the books by the same historians do not support that assertion. The historical works by Doris Kearns Goodwin, David McCullough, and others follow the dictates of the profession by relying on a careful review of all of the primary sources, with an emphasis on the disciplined review of unpublished sources found in archives.[6]

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[5] According to Pulitzer Prize-winning historian Barbara Tuchman, "The most primary source of all is unpublished material: private letters and diaries or the reports, orders, and messages in government archives. There is an immediacy and intimacy about them that reveals character and makes circumstances come alive." Barbara W. Tuchman, *Practicing History* at 19 (1981).

[6] *See, e.g.*, Blanche Wiesen Cook, 2 *Eleanor Roosevelt: 1933-1938* at xiv (1999) ("Biographers and historians depend on archives and libraries. . . ."). For a more detailed description of the historian's use of archives and the extensive research required to write history, *see* Tuchman, *supra* at 18-37, 76-79. Even in the archives, the historian cannot assume that the

For example, in her Pulitzer Prize-winning history of Franklin and Eleanor Roosevelt, *No Ordinary Time* (1994), Ms. Goodwin wrote that the 700-page book "relies predominantly upon a multitude of primary materials: manuscript collections, memoranda, private letters, diaries, memoirs, office files, world histories, pamphlets, newspapers, periodicals, personal interviews." *Id.*, "A Note on Sources," at 637. These primary materials included the White House Usher Diaries, which provided "day-by-day, even minute-by-minute chronologies [that revealed] when President and the First Lady awakened, who joined them for meals and meetings, how much time spent with each visitor, where they went during the day, when they went to bed at night." *Id.* at 637. She added, "I treasure the details that emerged from these primary sources. . . ." *Id.* Ms. Goodwin also conducted 86 interviews. *Id.* at 638-39. While she added that "some of my favorite details came from the press reports of the time," it is clear from her description that she is referring to factual details from news stories, not the occasional opinion piece that might have been penned by a freelance writer. *See id.* at 638.

David McCullough's Pulitzer Prize-winning biography, *Truman* (1992), similarly relies on a wealth of primary research, not simply the reading of computerized news articles. This 1000-page biography of the former President contains 58 pages of footnotes and 24 pages of bibliography. Mr. McCullough's research included 125 interviews conducted by the author and another 66 transcripts from oral history projects. He made extensive use of the manuscript

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necessary materials will be neatly catalogued anywhere. In researching her biography of J.P. Morgan, Jean Strouse found "vaults of uncatalogued biographical documents, including Morgan's childhood diaries and schoolbooks, his adult letters and cables, volumes of business correspondence, hundreds of photographs, and extensive files on his purchases of art." Jean Strouse, *Morgan: American Financier* at x (1999).

collection at the Truman library, the unpublished papers from a number of other archives, published government documents, memoirs, and relevant histories of the era. Indeed, in his acknowledgments, Mr. McCullough noted that he personally retraced the steps of President Truman's run through the Capitol building on the "fateful evening" of April 12, 1945. *Id.* at 994. The author supplemented these sources with citations from a number of newspapers, magazines and journals of the period.

The examples cited above further demonstrate how commercial databases of newspaper articles are peripheral to the work of historians. These works are essentially modern histories. Nevertheless, virtually none of the events described in the books would be covered by news articles contained in the databases of defendant Lexis-Nexis, because the commercial databases do not cover any period except the last 20 years, at best.[7] Any historian writing about events prior to around 1977 would find the commercial databases of newspaper articles useless.

The limited usefulness of commercial databases to historians is not surprising, since such databases were designed to provide a different service to a different audience. Databases like Nexis are designed to provide quick and easy access to documents which will have relevance to active players in the nation's economic life, public affairs, and legal profession. They are heavily weighted toward corporate and financial news, court cases, governmental rules and decisions, and world affairs which impact the global economy. Such

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[7] According to their website, the Nexis database contains full text of articles from The New York Times only back to January 1,1980; the Washington Post back to January 1, 1977; Newsday back to January 2, 1988; Time Magazine back to January 5, 1981; the Chicago Tribune back to January 1, 1985; and the Arizona Republic back to January 1, 1993. *See* <http://www.lexis-nexis.com/lncc/scripts/*> (visited February 9, 2001).

databases allow busy corporate executives, political commentators, and news analysts to quickly obtain a superficial familiarity with virtually any topic of current relevance. However, historians, when they are acting in their professional roles, generally need documents that are of peripheral or no concern to contemporary managers, and that are unlikely to have been included in commercial databases. The Burns *amici* refer to themselves as "historians, political commentators and authors," Burns br. at 3, without any apparent recognition that their research needs and the sources they use may be very different depending upon what role they are filling.[8]

To be sure, the ability to search text using key words is a welcome tool for researchers (although hardly a panacea for the difficulties of careful research). Moreover, there are promising developments in making certain historical archives—or at least portions thereof—available to historians in digital format, primarily over the Internet.[9] Such increased access to certain primary sources will assist historians and students of history,[10] but it is highly unlikely that such digital

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[8] In a recent interview, Charles Maday, Jr., senior vice president of programming for The History Channel, noted, "I don't think Ken Burns is really a historian. He's a filmmaker who's interested in history." Ronald J. Grele, *An Interview with Charles Maday Jr. of The History Channel*, Newsletter of the Organization of American Historians (Nov. 2000), also available at <http://www.oah.org/pubs/nl/2000nov/maday.html> (visited Feb. 9, 2001). It is surely no criticism of Mr. Burns that his extraordinary films are the product of a very different process, with a different audience in mind, from that of professional historians creating a monograph.

[9] *See, e.g.*, The American Memory Homepage, presented by the Library of Congress's National Digital Library Program, available at <http://lcweb2.loc.gov/ammem/ammemhome.html> (visited Feb.12, 2001).

[10] *See* Abby Smith, *Why Digitize?* at 8 (Feb. 1999) (Council on Library and Information Resources ("CLIR")), available at <http://www/clir.org/pubs/reports/pub80-smith/pub80.pdf> (visited Feb. 13, 2001).

archives will include the entire universe of archived documents, that they will replace the original documents in question, or that historians will no longer need to visit the relevant archives in person to inspect their collections. Using electronic databases to increase access to primary sources is not the same as replacing those primary sources with electronic versions. Moreover, such free access to electronic archives established by public and private nonprofit entities does not affect the issues raised by this case or the points raised by the Burns *amici*, which are focused on the legal rights of authors in copyrighted articles appearing in commercial databases.

Thus, the Burns *amici* have overstated the advantages of having newspaper and magazine articles in electronic databases. Because they are created for purposes other than historical research, the databases are likely to cover, at best, only part of the published material to be investigated. The work of the Burns *amici* demonstrates what the *amici* herein have found in their own work, that there is no short-cut to historical inquiry. Newspaper and magazine articles are only one part of a much larger puzzle.

B. The Methodology of Historians Is Not Based on Using Individual Newspaper and Magazine Articles as Essential Building Blocks.

A related misconception in the Burns *amici* brief concerns how historians work. They cite comments from historian Douglas Brinkley during a panel discussion to the effect that the historian or biographer obtains a first draft of the work by pulling all the individual newspaper articles about the subject and filing them chronologically. Supposedly, the author then "fill[s] that in" with interviews, documentary evidence, and some other "obvious books or articles." Burns br. at 17. One suspects that the brief has oversimplified Mr. Brinkley's views, and that Mr. Brinkley himself does not actually work

in this way. It is certain that most professional historians engage in a much different, and more complicated approach to their writing.

Describing the work of the historian, E.H. Carr wrote:

> Laymen—that is to say, non-academic friends or friends from other academic disciplines—sometimes ask me how the historian goes to work when he writes history. The commonest assumption appears to be that the historian divides his work into two sharply distinguishable phases or periods. First, he spends a long preliminary period reading his sources and filling his notebooks with facts; then, when this is over, he puts away his sources, takes out his notebooks, and writes his book from beginning to end. This is to me an unconvincing and unplausible picture.

Carr at 32-33. Professor Carr continued:

> I am convinced that, for any historian worth the name, the two processes of what economists call "input" and "output" go on simultaneously and are, in practice, parts of a single process. If you try to separate them, or give one priority over the other, you fall into one of two heresies. Either you write scissors-and-paste history without meaning or significance; or you write propaganda or historical fiction, and merely use facts of the past to embroider a kind of writing which has nothing to do with history.

Id. at 33. Marc Bloch asserted a similar point:

> Many people and, it appears, even some authors of manuals entertain an extraordinarily simplified notion of our working procedure. First, as they are only too eager to tell you, there are the documents. The historian collects them, reads them, attempts to weigh their authenticity and truthfulness. Then, and only then, he makes use of them. There is only one trouble with this idea: no historian has ever worked in such a way, even when, by some caprice, he fancied that he was doing so.

> For even those texts or archeological documents which seem the clearest and the most accommodating will speak only when they are properly questioned. . . . Mere passive observation, even supposing such a thing were possible, has never contributed anything productive to any science.

Bloch at 64-65.[11]

The Burns *amici* make the further erroneous assumption that "the focal point of research has always been, and will always be, the retrieval of individual articles. . . ." Burns br. at 16. According to them, it is unnecessary to ever see the original publication. While access to the pure text alone is sometimes enough, professional historians are frequently concerned not just with the information in the article, but with the significance of the article's publication and how the article was experienced by the readers at the time. Judgments about the meaning of the article often depend on seeing the original article, noting where the article appears in the publication, what kind of headline it carried, whether it was accompanied by an illustration and what it was, and whether there were companion articles.[12] As one researcher of library

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[11] A highly regarded French historian, Bloch fought in the French army in World War II until its defeat in May 1940. After his release to Vichy France, he wrote the text for this book and then joined the French resistance in 1942. He was captured by the Nazis in Spring 1944, imprisoned, tortured, and finally executed on June 16, 1944. The book was readied for publication by historian Lucien Febvre after the war. *Id.* at viii-ix.

[12] For example, assume it was possible to find on a computer database the lead story about the results of the presidential election which ran in the Chicago Tribune on November 3, 1948. Any historian who simply attempted to report the content of the story, without having seen the article with its banner headline "DEWEY DEFEATS TRUMAN," would have missed a great deal of the publication's import. Fortunately, it was captured in the memorable photograph of a grinning (and victorious) President Truman holding the newspaper aloft several hours later—a

science reported, "What has emerged clearly . . . is the unchanging desire for scholars to work with original, unformatted, primary source materials, from paper manuscripts to vintage photographs . . . ."[13] Indeed, depending upon the focus of the investigation, the historian may be more interested in the newspaper or magazine as an organic whole and must be able to read the publication in its entirety and in its original format.[14] Such context becomes even more important where historians move from the more traditional political histories and attempt to write a social history of a period or place. None of this analysis is possible in the commercial databases, which contain only the most rudimentary notations of page number and exclude all pictures, photographs, maps, tables, cartoons, death notices, and advertisements. *Tasini v. The New York Times Co., Inc.*, 206 F.3d 161, 164 (2d Cir. 2000). To a social historian, the advertisements alone in a newspaper provide a wealth of information about how a group of people lived their lives.[15]

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photograph that would not be available on Nexis, which does not contain any nontextual material. *See* McCullough, *Truman*, at 718.

[13] Abby Smith, *The Future of the Past: Preservation in American Research Libraries*, at 13 (April 1999) (published by CLIR), also available at <http://www.clir.org/pubs/reports/pub82/pub82.pdf> (visited Feb. 13, 2001).

[14] "The size of newspapers is indispensable to our experience of their content. The newspaper reader proceeds nonlinearly, not as he would holding a typical book but circling around the open double-page spread . . . moving his whole head as well as his eyes. . . . Even papers that have no pictures at all have a visual exorbitance, a horizon-usurping presence that a microfilm's image . . . subverts and trivializes." Nicholson Baker, *Deadline*, New Yorker at 49 (July 24, 2000).

[15] Advertisements can be critical to the political historian as well. As one example, historians writing about the U.S. presidential campaign of 1968 would miss a great deal if they were ignorant of the numerous full-page advertisements appearing in The New York Times during 1967-68, signed by thousands of educators and other professionals, opposing President Johnson's policy in Vietnam.

Finally, even if an individual historian was inclined to work in the manner suggested by Mr. Brinkley, the Second Circuit decision would have no effect on him or her. The "building blocks" for the chronology, news stories and editorials, would still be readily available in the commercial databases. Thus, there is nothing about the work process or methodology of historians which would support the defendants' position in this case.

C. The Burns *Amici* Overstate the Importance of Commercial Databases to the Preservation of the Historical Record.

An essential misconception underlying the argument of the Burns *amici* is that books, newspapers and magazines as originally published are ephemeral objects which will quickly become unavailable to historians. Although the commercial databases are too recent to have impacted much historical work to date, the Burns *amici* are apparently concerned about the integrity of those databases for future historians studying our time. According to the Burns *amici*, documents of the past will live eternally only if they become digital. Burns br. at 9-11. However, many scholars and archivists are finding that the opposite is true: that the transformation of our records of the past into a new medium will more likely lead to the loss of these records.[16] "The vision of creating digital

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[16] See Jeff Rothenberg, *Avoiding Technological Quicksand: Finding a Viable Technical Foundation for Digital Preservation, A Report to the Council on Library and Information Resources*, at 1-2, 4-5, 7-16 (Jan. 1999) (hereinafter *Quicksand*) (published by CLIR), also available at <http://www.clir.org/pubs/reports/rothenberg/pub77.pdf> (visited Feb. 13, 2001); Jeff Rothenberg, *Ensuring the Longevity of Digital Information* (Feb. 22, 1999) (RAND Corp.), also available at <http://www.clir.org/pubs/archives/ensuring.pdf> (visited Feb. 13, 2001); Donald Waters & John Garrett, *Preserving Digital Information: Report on Archiving of Digital Information, commissioned by the Commission on Preservation and Access and the Research Libraries Group* (May 1,

libraries that will be able to preserve our heritage currently rests on technological quicksand." Rothenberg, *Quicksand* at 1. It now appears that computer databases may have an even shorter lifespan than newsprint. As one task force in the field concluded:

> Rapid changes in the means of recording information, in the formats for storage, and in the technologies for use threaten to render the life of information in the digital age as, to borrow a phrase from Hobbes, "nasty, brutish and short." [17]

The constant transformation of technology often means that the hardware and software necessary to read the previously encoded electronic database shortly becomes unavailable.[18] A special committee examining the future of the Library of Congress has noted:

> Digital materials are especially vulnerable to loss and destruction because they are stored on fragile magnetic and optical media that deteriorate rapidly and that can fail suddenly from exposure to heat, humidity, airborne contaminants, faulty reading and writing devices, human error, and even sabotage.
>
> Digital materials become unreadable and inaccessible if the playback devices necessary to retrieve information from the media become obsolete or if the software that translates digital information from machine- to human-readable form is no longer available.

1996), available at <http://www.rlg.org/pub/archtf/final-report.pdf> (visited Feb. 13, 2001); Smith, *Why Digitize*, at 4-5.

[17] *Preserving Digital Information*, *supra* at 2.

[18] Rothenberg, *Quicksand*, at 7-9. This phenomena will be familiar to lawyers who just ten years ago may have carefully put their forms and brief bank on 5 1/4" floppy disks with a software like WordPerfect 4.1. No modern computer can read those disks anymore. Unless the data was fed into a network, upgraded and transferred by the system administration to a new network server (and translated into a more modern software version), it is lost.

Committee on an Information Technology Strategy for the Library of Congress, *LC21: A Digital Strategy for the Library of Congress* at 4-2 (2000) (citation omitted). A journalist examining the problems at the National Archives concluded, "The problem of technological obsolescence—of fading words and images locked in odd-looking, out-of-date equipment—is an even bigger problem for the computer age than it was for the media produced in the first half of the century." Alexander Stille, *Overload*, New Yorker at 38 (March 8, 1999).[19] A prominent library specialist described the problem this way: "We all know that we don't *decrease* the preservation problem by relying on digital information, we only *increase* it. As [one preservationist] put it, 'being digital means being ephemeral.'" (emphasis in original).[20]

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[19] Mr. Stille cited a number of examples of the problems faced by the National Archives:

> In the nineteen-eighties, the Archives transferred some two hundred thousand documents and images onto optical disks—the cutting edge of new technology at the time. "I'm not sure we can still play them," [a preservation specialist] says, because they depend on computer software and hardware that are no longer on the market.

Id. at 42. In addition, many of the government's records from the Vietnam War era were stored on a data system that IBM no longer supports. *Id.* at 43.

[20] Anne Kenney, *Keynote Address: Guidelines vs. Guidance for Digital Imaging: The Opportunity Before Us.* Available at <http://www.thames.rlg.org/preserv/joint/kenney.html> (visited Feb. 7, 2001). The author is Associate Director of the Department of Preservation and Conservation, Cornell University, and was speaking to a joint conference of the Research Libraries Group and the National Preservation Office. She further warned, "It is important to keep in mind that technology is not our friend. If things appear to be difficult it's probably because they are difficult." *Id.*

Some have even expressed concern about how millions of old newspaper editions have been irretrievably lost because librarians and archivists, strapped for space, microfilmed and then destroyed the

The Burns *amici* further ignore the problem of errors and data corruption which occur whenever data is converted from one medium to another. *See* Rothenberg, *Quicksand*, at 13-14; Richard H. Eckman, *Can Libraries of Digital Materials Last Forever?*, Change at 24 (March/April 2000). This is true of newspapers as well. A four-month study at the University of North Carolina by the editor of the Internet version of the Arkansas Democrat-Gazette found numerous discrepancies between the contents of the newspapers as published on paper and the editions made available on commercial databases. In one case, a defamatory reference to a public figure was pulled just before press time from the printed paper, but made its way online in the Lexis-Nexis database. Bruce William Oakley, *How Accurate Are Your Archives?*, Columbia Journalism Review at 13 (March/April 1998).[21]

Even if it were desirable, the creation of electronic versions of newspapers and magazines does not solve the problem of historical memory, but creates new problems. There is no

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originals. *See, e.g.*, Mark Singer, *Missed Opportunities Dept.: Did the New York Public Library Let Some History Slip Through Its Fingers?*, New Yorker at 29 (Jan. 12, 1998); Nicholson Baker, *Deadline*, New Yorker at 42 (July 24, 2000). Even library professionals who support microfilming are wary of digitization of documents as a preservation strategy. Smith, *Why Digitize?* at 3-4; Hartmut Weler, Marianne Dorr, *Digitization as a Means of Preservation?* at § 1 (Oct. 1997), available at <http://www.clir.org/pubs/reports/digpres/digpres.html> (vistited Feb. 13, 2001) (final report of a working group of the German Research Association, translated and distributed by the European Commission on Preservation and Access).

[21] Mr. Oakley further reported:

> One librarian, at the Nashville Tennessean, sighed and said that microfilm or microfiche of the real, printed newspaper is the archive of record; the digital version is secondary. But rare is the reporter - or law firm, student, or ordinary citizen—who will turn to microfilm if a digital record exists.

Id.

guarantee that electronic databases, commercial or otherwise, will adequately preserve newspapers and periodicals. To the contrary, future historians may well be relying on paper copies of today's newspapers long after the databases and CD-ROMs have become indecipherable.

D. Affirmance of the Second Circuit Will Have Little, If Any, Effect on the Preservation of the Historical Record.

The Burns *amici* overstate the effect that an affirmance of the Second Circuit opinion would have on the historical record. First, the number of articles involved is relatively small. Out of the 2.8 billion records available on Nexis,[22] defendants have identified only approximately 100,000 articles which may be affected by the decision. Pet. for cert. at 13. This amounts to about 0.0036% of the records in the database—hardly a major factor in the preservation of our historical memory.

The Burns *amici* further assume that, absent a reversal of the Second Circuit opinion, the only result of the case can be individual negotiations between the original publisher and each of the freelance authors. This confuses liability with remedy. The Second Circuit has so far simply recognized the applicability of the freelance writers' copyright to such electronic republishing. It does not address the remedy to which the six plaintiffs may be entitled, let alone how a court might fashion an appropriate remedy for past violations of the copyrights of a class of freelance writers. Federal courts are familiar with applying formulas to the computation of damages which may not be exact but which do substantive justice to the injured parties without the need to conduct individual consideration or negotiation with every class

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[22] *See* <http://www.lexis-nexis.com/business/whatsnew.htm> (visited Feb. 9, 2001).

member.[23] The *amici* here do not propose to suggest the proper remedy in this case, only to note that the deletion of previously published articles from commercial databases is not by any means the only, or even likely, outcome of this case.

Further, treating freelance writers fairly will not result in a black hole of historical materials. Even with the ongoing digitization of archives, the articles written by freelance writers will be referenced in indexes of periodicals, and will still appear in the bound volumes or the microfilm replications of the publications that are housed in thousands of libraries around the world. They are "lost to history" only if one assumes that a historian is limited by what is available on the computer screen. Even a cursory review of the acknowledgments, footnotes and bibliography of any serious historical work will demonstrate that historians do not consider themselves limited by what is easily available.

II. THE COPYRIGHTS OF FREELANCE WRITERS SHOULD NOT BE IGNORED SIMPLY TO SOLVE THE UNRELATED PROBLEM OF NEGLECT OF THE NATION'S ARCHIVES.

There are, to be sure, serious problems with the nation's archives, and the Burns *amici* are certainly right to be concerned with the preservation of historical records. However, the answer to preserving archives is to allocate the

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[23] These principles are followed in other areas of commercial litigation. "[I]t is hornbook law that 'doubts as to the certainty of damages will be resolved against the wrongdoer, as the wrongdoer must bear the uncertainty which its conduct has created." *In re Sumitomo Copper Litig.*, 182 F.R.D. 85, 93 (S.D.N.Y 1998) (quoting 22 Am. Jur.2d Damages § 491 (1988)). *See also Story Parchment Co. v. Paterson Parchment Paper Co.*, 282 U.S. 555, 563 (1931) ("It will be enough if the evidence shows the extent of the damages as a matter of just and reasonable inference"). *See generally* 2 Herbert Newberg & Alba Conte, Newberg on Class Actions § 10.03 (3d ed. 1992).

money and resources necessary to the task, not to sacrifice the legal rights of freelance writers to this supposed greater good. If the preservation of these records for posterity was such an important public task, one might expect the defendants here to assume a large share of the cost themselves. As the record demonstrates, that is not the case: the publishers of the periodicals are paid by Lexis-Nexis to provide the articles, Lexis-Nexis is paid by its subscribers for access to the articles, and a payment based on that access is remitted to the original publisher. *See* Brief of Amici Advance Publications, Inc., *et al.*, at 17-18. All of the defendants profit from making these records available in electronic form; only the freelance copyright holders are asked to assume responsibility for historical memory.

Nor do the Burns *amici* address the obvious problem of protecting their own works. If publishers can simply sell their periodical articles to another entity to distribute in electronic format, without further payment to the author holding the copyright, why can't they do the same with books? The idea of the public having immediate and searchable access to an electronic version of *Truman* or *No Ordinary Time* may be tantalizing for students and other readers of history, yet one suspects that the Burns *amici* would rightly be wary of such a plan if it did not provide for royalty payments to them. They would rightly see such action as a clear violation of their copyrights and a substantial disincentive to investing the considerable time and effort to producing future works.

Finally, there is a grave concern that should the defendants in this case prevail, it could damage the role of independent writers in society. The freelance writers who are affected by this case are, by and large, an impecunious group that receives little compensation for their writing as it is. *See* J.A. 389a, 407a, 418a-419a, 430a, 464a. The inability to earn any more than their modest one-time fee for their original work,

no matter how popular the article might become in the digital archives, may cause them to stop writing. The irony of the position taken by the Burns *amici* is that they regard the potential loss of past materials by freelance writers as causing "inestimable" damage to historians—yet they support an outcome that will help extinguish those same voices in the future. Attempting to make freelance writers pay for the sins of others in neglecting the nation's archives does not appear to have been part of Congress' intent in passing the Copyright Act and its amendments. As historians, the *amici* herein do not believe such an outcome serves the interests of the historical record either.

CONCLUSION

For all the above-stated reasons, the judgment of the Second Circuit should be affirmed.

Respectfully submitted,

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IN THE

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR AMICI CURIAE THE AUTHORS GUILD, INC., JACQUES BARZUN, JAMES GLEICK, JUSTIN KAPLAN, TRACY KIDDER, NICHOLAS LEMANN, JOHN LUKACS, ROBERT K. MASSIE, JACK MILES, AND JEAN STROUSE, IN SUPPORT OF RESPONDENTS

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This brief *amici curiae* is submitted in support of Respondents Jonathan Tasini *et al.* By letters filed with the Clerk of the Court, Petitioners and Respondents have consented to the filing of this brief. [1]

INTEREST OF AMICUS CURIAE

The Authors Guild, Inc. founded in 1912, is a national non-profit association of more than 8,200 professional, published writers of all genres. The Guild counts historians, biographers, academicians, journalists and other writers of nonfiction and fiction as members. Almost 40% of its membership identifies itself primarily as journalists, most of them freelance contributors. Guild members have received many accolades and awards in the world of publishing, including numerous Pulitzer and Nobel Prizes.

The Authors Guild works to promote the rights and professional interests of authors in various areas, including copyright, freedom of expression and taxation. In the area of copyright, the Guild has fought to procure

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[1] As required by Rule 37.6 of this Court, *amici curiae* submit the following: no party or party's counsel authored this brief in whole or in part; no person or entity other than *amici curiae*, its members, or its counsel, have made a monetary contribution to the preparation or submission of this brief.

satisfactory domestic and international copyright protection and to secure fair payment of royalties, license fees and non-monetary compensation for authors' work. Guild attorneys annually help hundreds of authors negotiate and enforce their publishing contracts.

Authors Guild members earn their livelihoods through their writing. Their work covers important issues in history, biography, science, politics, medicine, business and other areas; they are frequent contributors to the most influential and well-respected publications in every field. Fees to Guild members for re-sale and re-use of their work provide a substantial portion of their income.

Jacques Barzun is a world-renowned historian, literary commentator, translator and educator. His career spans more than sixty years, some thirty books of musical, literary, philosophical, political and art history and criticism, and countless awards and honors. His widely varied historical books include *A Stroll with William James* (biography); *The American University: How it Runs, Where it is Going*; *Lincoln the Literary Genius*; and *Darwin, Marx, Wagner: Critique of a Heritage*. His most recent work, *From Dawn to Decadence: 500 Years of Western Cultural Life, 1500 to Present*, has been nominated for this year's National Book Award for nonfiction and the National Book Critics Circle Award for criticism. He has contributed many articles to scholarly periodicals as well as to Harper's, Atlantic, The New York Times, New Republic, Saturday Review, and others. Mr. Barzun is a member of the American Historical Association, the American Academy and Institute of Arts and Letters (past president), and the Royal Society of Arts. He was dean of graduate faculties and provost at Columbia University and for many years the University Professor of History. Mr. Barzun has been

awarded the George Polk Memorial Award and the Chevalier de la Legion d'Honneur in honor of his contributions to our historical store of knowledge.

James Gleick is an award-winning journalist, biographer, teacher and technologist. His books include *Genius: The Life and Science of Richard Feynman,* and *Chaos: Making a New Science*, both of which were finalists for the National Book Award and the Pulitzer Prize. Mr. Gleick's most recent book is the best-selling *Faster: The Acceleration of Just About Everything.* He was a founding editor of Metropolis, a Minneapolis-based weekly newspaper. For ten years he worked for the New York Times, both as a reporter and an editor. He continues to be a regular contributor to the Times and the New York Times Magazine. In 1993 he co-founded the Pipeline, a New York City based Internet service. Mr. Gleick's subject matter comprises leading edge scientific research, the social and economic ramifications of technology and the history of groundbreaking innovations.

Justin Kaplan is a historian, literary critic and award-winning biographer. Mr. Kaplan is author of several biographies including *Mr. Clemens and Mark Twain*, which won both the Pulitzer Prize and the National Book Award for biography, and *Walt Whitman: A Life*, winner of the American Book Award for biography. He has authored widely acclaimed biographies of Charlie Chaplin and Lincoln Steffens. Mr. Kaplan is renowned for his skill at confronting the obscured conceptions of historical figures and resolving their mysterious elements. A former Guggenheim fellow and lecturer at Harvard University, Mr. Kaplan is a member of the American Academy of Arts and Sciences and of the Society of American Historians.

Tracy Kidder is a highly acclaimed author of books and articles. Over the course of a 26-year professional career he has written six books and many magazine articles. He has been a contributing editor to the Atlantic Monthly since 1982. His books are The Soul of a New Machine, House, Among School Children, Old Friends, and Home Town. In 1982 Mr. Kidder won both the Pulitzer and the American Book Award for The Soul of a New Machine. He received a Christopher award, a National Book Critics Circle Award nomination, the Robert F. Kennedy Award and Ambassador Book award for Among Schoolchildren. Mr. Kidder was the recipient of The New England Book Award in 1994 for Old Friends. Mr. Kidder is renowned for his ability to write engagingly on subject matters as diverse as elementary education, computer engineering, nursing homes and home construction. By combining meticulous archival research, personal interviews and observation with a keen writing ability, Mr. Kidder has made otherwise arcane subject matters both accessible and fascinating to the general reading public.

Nicholas Lemann is a contributing editor to The New Yorker. He has been a journalist for The Washington Monthly, Texas Monthly, The Washington Post and The Atlantic Monthly, where he was national correspondent. His work appears often in such other publications as The New York Review of Books, The New York Times Magazine, and The New Republic. He is the author of four books, including, most recently, *The Big Test: The Secret History of American Meritocracy;* as well as *The Promised Land*, a history of African-American migration to large urban centers in the north and of the War on Poverty, for which he was awarded the Los Angeles Times Book Award for History

John Lukacs is an historian, author and emeritus professor of History at Chestnut Hill College in Philadelphia. He has served on the faculties of Columbia University, Johns Hopkins School of Advanced International Studies, University of Pennsylvania and the Fletcher School of Law and Diplomacy. Professor Lukacs is widely admired for his approach to subjects ranging from historical figures of WWII to American democracy itself. A prolific writer, Professor Lukacs's critically acclaimed books include *1945: Year Zero; A History of the Cold War; Out growing Democracy: A History of the United States in the Twentieth Century*; *The Hitler of History; A Thread of Years*; and *The Edge of the Twentieth Century: And the End of the Modern Age*, which earned Professor Lukacs a nomination for the Pulitzer prize.

Robert K. Massie was a journalist for Collier's, Newsweek magazine, the Saturday Evening Post and other news organizations for several years before publishing his acclaimed biography *Nicholas and Alexandra,* widely considered the definite historical study of the last Czar of Russia. He went on to co-author *Journey*, which won the Christopher Award; *Dreadnought: Britain, Germany and the Coming of the Great War*; *The Romanovs: The Final Chapter;* and *Loosing the Bonds: The United States and South Africa in the Apartheid Years.* His *Peter the Great: His Life and World* won the Pulitzer Prize for Biography, an American Library Association Notable Book citation and was nominated for the American Book Award. *Nicholas and Alexan*dra and *Peter the Great* were adapted for motion picture and for television, respectively. A former Rhodes scholar, Mr. Massie has been the Ferris Professor of Journalism at Princeton University, and the Andrew Mellon Professor of Humanities at Tulane. Mr. Massie

was president of the Authors Guild from 1987 to 1991, and is an ex-officio member of the Authors Guild Council.

Jack Miles is the director of the Humanities Center at the Claremont Graduate School in California. In 1991 he received a Guggenheim Fellowship to write *God: A Biography,* for which he received the Pulitzer Prize for biography in 1996. Immediately prior to accepting his post at the Claremont Graduate School Mr. Miles was a book columnist and editorial board member of the Los Angels Times. He has been an editor at three major academic and trade publishers: the University of California Press, Doubleday and Scholar's Press. Mr. Miles was a Jesuit Seminarian at Pontifical Gregorian University in Rome in the 1960's. He taught in the theology department of Loyola University. On its publication *God* was praised for its innovative approach to the history of monotheism and for the surety with which Mr. Miles brought that approach to its goal of understanding the way western conceptions of God evolved.

Jean Strouse is an award-winning biographer, historian, journalist, and editor. Her books include *Morgan: An American Financier* and *Alice James: A Biography. Morgan* was nominated for the National Book Award. *Alice James* garnered the Bancroft Prize in American History. Ms. Strouse has received fellowships from the Guggenheim Foundation, The National Endowment for the Arts, The National Endowment for the Humanities, the Radcliff Institute and the Gilder Lehrman Institute for American History. She has lectured at the Library of Congress, the Organization of American Historians in addition to numerous universities. She has been a consultant to the Library of American Lives and a

juror for the Pulitzer Prize. Ms. Strouse is a trustee for the John Simon Guggenheim Memorial Foundation and a member of the Guggenheim Foundation's Educational Advisory Board. Her work has appeared in numerous magazines and journals, including The New York Review of Books and Newsweek. She has been lauded for her intensive research and the clarity of her prose. Ms. Strouse is the incoming president of the Society of American Historians.

The *Amici* believe that it is extremely important for authors to control the use and disposition of their works and for them to share in the economic benefits derived from use of their works. They, too, use electronic databases to research issues relevant to their work and wish to have maximum access to this information resource. But rather than allowing Petitioners the unfettered ability to reuse and resell their work without prior permission or additional compensation, they believe that the solution to the problem presented by this case is to permit authors to share in the economic rewards of their creative work product. As noted below, there are efficient ways of insuring that a fair division of proceeds is made between authors, publishers and databases to achieve this goal. For these reasons, they submit this brief *Amici curiae*.

STATEMENT

Amici adopt the statement of the case contained in the brief of Respondents.

INTRODUCTION AND SUMMARY OF ARGUMENT

Today most publishers procure express licenses from their contributors for electronic use. [2] The *amici curiae* (hereinafter, the "Authors") agree with Respondents that the plain language and the legislative history of Subsection 201(c) of the Act prove Petitioners wrong in their arguments to this Court. Indeed, the purpose of Section 201 (c) was to "clarify and improve the present confused and frequently unfair legal situation with respect to rights in contributions" by freelance authors, namely by limiting the rights granted to a publisher to "reproducing" (not displaying) their works within a very narrow range, as we show in Point II.

The Authors believe that payment of a fair portion of secondary use fees to writers need not obstruct free access to their contributions to the historical archive, any more than or any differently than does the payment to the publishers and databases. The database Petitioners and most other electronic databases already charge fees to researchers for electronic or physical access to archived materials they control. Sharing these fees with the authors of the material could be accomplished in various ways, as described below, without proscribing access to the material.

On the other hand, permitting unauthorized, uncompensated electronic re-uses will have an adverse effect on freelancers' economic interests, which should be

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[2] Indeed, Petitioner *The New York Times* began issuing written contracts to its freelancers in 1996. *Tasini et al. v. New York Times, et al.*, 206 F.3d 161, 164, n.1 (1999).

of paramount concern to those who wish to protect the integrity of historical archives. Depriving authors of a share of the income from electronic re-uses by NEXIS and UMI would directly and substantially upset the Copyright Act's careful balance between encouraging the dissemination of knowledge and granting the market incentives needed to maintain a healthy store of knowledge.

Secondary use rights, which Congress clearly intended to allow authors to retain separately from first publication rights, are of crucial value to authors. We urge the Court to reject Petitioners' attempt to distort the statute in order to deprive authors of such valuable rights.

ARGUMENT

POINT I

THE OPINION BELOW PROPERLY WEIGHED THE INTERESTS OF AUTHORS, PUBLISHERS, RESEARCHERS AND ELECTRONIC DATABASES

One of the Amicus briefs supporting Petitioners here advances the argument that the decision of the Second Circuit will "decreas[e] access to convenient, cost-efficient . . . information resources," and a decision in Respondents' favor will undermine important benefits to "historians and scholars." (See Brief Amici of Ken Burns *et al.* at 5-6).

Thousands of Authors Guild members and the individual *amici* here are themselves historians, biographers and researchers, who have a strong interest in having efficient access to "cost-efficient . . . information

services." They certainly use libraries, electronic databases and other internet sites in the course of their research. They do not believe that easy access to information resources is incompatible with insuring that authors obtain a fair return for their labors.

The solution to this problem is to require that publishers obtain prior express permission to make electronic uses of their authors' work and to arrange for authors to share in any income from inclusion of their materials in these databases. It is certainly not true that the articles and other writings will not find their way into NEXIS or other electronic libraries if the original publishers of the collective work obtain all the economic rewards from transmission to those libraries.

As the Court below noted, the newspapers or periodicals that publish the articles could easily amend their contracts with contributors to obtain the necessary rights and to pay authors their fair share as the *New York Times* has done. See 206 F.3d 161, 164, fn. 1 (2d Cir. 1999).

It is well-established that the purpose of the Copyright Clause is to encourage creative efforts by authors, for the benefit of society, by awarding them a fair economic return for their efforts. In *Sony Corporation v. Universal City Studios*, 464 U.S. 417, 429 (1984), this Court noted:

> The monopoly privileges that Congress may authorize are neither unlimited nor primarily designed to provide a special private benefit. Rather, the limited grant is a means by which an important public purpose may be achieved. It is intended to motivate the creative activity of

> authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired.

The idea that authors write, in part, for the economic rewards associated with such effort, is not new. This Court quoted from Samuel Johnson's famous aphorism, "'[n]o man but a blockhead ever wrote, except for money.'" 3 *Boswell's Life of Johnson* 19 (G. Hill ed. 1934). *Campbell v. Acuff-Rose*, 510 U.S. 569, 584 (1994).

The only problem in this situation is that for a short period of time, the *New York Times* and other newspapers or magazines did not take the necessary steps to insure that they did, in fact, control electronic rights to the articles they published and heedlessly licensed authors' works to electronic databases. Since the Copyright Law has a three-year statute of limitations, the "danger" faced by NEXIS or the *Times* in facing claims made by authors is not an insurmountable one.

The Burns *amici* further claim that:

> The threat of a tidal wave of lawsuits brought by freelance authors relying on such a holding will force publishers to minimize the risk of liability by prophylactically eviscerating electronic collections of significant materials. From the perspective of amici, the potential damage wrought by this rule is inestimable because such "freelance" materials include, among other things, Op-Ed pieces, letters to the editor, and other invaluable contemporary commentary on the people and events of a given point in time. Brief Amici of Ken Burns et al. at 12.

The Burns brief also alleges that it may be impossible to locate all the original authors. If they were found, they might demand an exorbitant price for use of their work.

> [E]ven assuming the respective rights holder(s) can be located, in addition to the practical and administrative burdens associated with attempting to clear rights retroactively, the aggregate costs of paying individual rights holders for the necessary permissions to republish their respective contributions in electronic form either will be passed on to individual and institutional end users, or may simply be prohibitive, particularly for the publishers of small and/or specialized academic journals. *Id.*

Finally, they assert that even prospectively, authors may make unreasonable demands for use of their work. "[I] is equally possible that freelance authors may deny granting such permissions, preferring instead that their individual works not be included in electronic archives regardless of the fees offered by the publisher." *Id.* at 13.

This parade of horribles is demonstrably flawed. First, the argument amounts to a claim that having usurped the authors' rights (by conveying electronic rights to NEXIS and UMI without owning such rights), the publishers cannot undo or pay for what they had improperly taken. Such an argument is hardly persuasive.

In the analogous area of the use of music on the internet, the Ninth Circuit recently affirmed the grant of a preliminary injunction against Napster, involving a

similar claim that the composers of music used on the internet are not entitled to share in the proceeds from use of their material in that medium. The *New York Times* itself rejected such an argument in a recent editorial:

> The decision is a major victory for the music record industry, and more broadly, for all creators of original material. The Internet is a revolutionary medium whose long-term benefits we are only beginning to fathom. *But that is no reason to allow it to become a duty-free zone where people can plunder the intellectual property of others without paying for it.* That would ultimately stifle, rather than encourage, creativity. Reconciling long-established law to new technologies is never easy, but the recognition of an author's ownership in an original creative work is one of our legal system's core principles.

New York Times, February 14, 2001 at A30. (emphasis added)

Second, it is certainly not true that the most likely remedy to be ordered by the lower court on remand is an injunction requiring the deletion from Petitioners' databases of all contributions where express electronic rights were not granted. In a letter to Representative James McGovern, the Register of Copyrights, Marybeth Peters, commented that such a remedy may not be sought or required. "[T]he *Tasini* case should be about how the authors should be compensated for the publishers' unauthorized use of their works, and not about whether the publishers must withdraw those works from their databases." Letter dated February 14, 2001, 147 *Cong. Rec.* E182-183 (February 14, 2001).

Third, as noted above, the idea that authors should decide, based on their own view of their economic interests, whether to grant certain rights or not is one which the Copyright Law endorses and protects. *See* 17 U.S.C. § 106. The notion that this principle should be applied to every area but electronic database rights is unacceptable. [3]

Publishers can license any part of an authors' copyrights in myriad ways, and they do; increasingly some publishers are paying authors separately for electronic rights. *See* Deidre Carmody, "Harpers Shares Electronic Profits with Authors," *The New York Times*, Feb. 2, 1996 at B14 (describing establishment of Author's Registry to solve problem of "publishers' resistance to the amount of bookkeeping involved in determining and sending out payments" for electronic re-use of freelance pieces); Ross Kerber, "Atlantic Monthly Agrees to Settle Action Over Electronic Publishing," *The Wall Street Journal*, March 29, 1996 (citing agreement to pay individual authors for electronic re-use). Individual negotiations with freelancers occur for every freelance article assigned and published. Anna Couey, "Authors Rights: On getting Paid in the Age of Digital Reprodution," *Microtimes*, Sept. 16, 1996.

Fourth, with respect to past uses, there are a variety of methods which would allow electronic databases to continue to retain and use earlier material while affording a reasonable economic return to authors.

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[3] It is true that certain sections of the Copyright Law provide for compulsory licenses, *see e.g.* 17 U.S.C. § 114 (compulsory mechanical license for music). But even there, the copyright owner does obtain appropriate compensation.

For example, in May 1995 the Authors Guild and other writers groups formed the Authors Registry, Inc., (the "Registry") to assist authors of all genres in collecting royalties for the distribution of their work through photocopying, electronic transmission and other means. Already, more than thirty writers' organizations (virtually every major group, including the Authors Guild, American Society of Journalists and Authors, PEN American Center, the National Association of Science Writers, Washington Independent Writers, and the National Book Critics Circle) and 95 literary agencies have agreed to register their members and clients with the Registry's central database. At present, the Registry's database contains more than 30,000 professional authors. Maureen O'Brien, "Authors Organize to Launch Electronic Rights Service," *Publishers' Weekly*, June 5, 1995 at 10.

Author-founders of the Registry were Robert A. Caro, E. L. Doctorow, Betty Friedan, James Gleick, George J.W. Goodman ("Adam Smith"), Gael Greene, Garrison Keillor, James A. Michener, Letty Cottin Pogrebin, Anna Quindlen, and Scott Turow. *Publishers Weekly*, *id.* Each of these authors has published both books and numerous freelance pieces in periodicals, including those of Petitioners.

Since freelance authors' livelihoods depend substantially on the collection of proceeds from subsidiary uses of their work after first publication, the Registry seeks to prevent unauthorized secondary usage, including electronic transmission, which both deprives authors of a crucial source of secondary income and

damages the entire market for the authors' work.[4] Informed authors overwhelmingly believe that sharing secondary use license fees with their print publishers is the only fair and efficient way to determine an article's secondary market value. The Authors Registry was designed to allow publishers, particularly newspaper and magazine publishers, to share their income for secondary use licenses equitably with their contributors. [5]

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[4] The Register of Copyrights, Marybeth Peters, confirms the importance of this secondary market. "[T]he interpretation of §201(c) advanced by publishers in *Tasini* would give them the right to exploit an article on a global scale immediately following its initial publication, and to continue to exploit it indefinitely. Such a result is beyond the scope of the statutory language and was never intended because, in a digital networked environment, it interferes with authors' ability to exploit secondary markets. Acceptance of this interpretation would lead to a significant risk that authors will not be fairly compensated as envisioned by the compromises reached in the 1976 Act. The result would be an unintended windfall for publishers of collective works." 147 Cong. Rec. E182-183 (February 14, 2001)

[5] In the closely related context of negotiating fair use guidelines with libraries for electronic media uses at the Conference on Fair Use sponsored by the White House, the publishers' representative acknowledged the absolute necessity and eminent practicality of negotiating for electronic access to copyrighted works: "I'm not saying 'Don't use it.' But negotiate for that use." McNees, "Fair Use Come the Revolution," *Authors Guild Bulletin*, Winter 1995 (quoting Jon Baumgarten, Association of American Publishers representative). In the same way these same publishers calculate their

To date, the Registry has distributed over $1,400,000 to authors for such secondary uses of their work. See Registry News at www.authorsregistry.org. These license fees have come from four American magazines (Harper's, Travel & Leisure, Food & Wine, and Cooking Light,) for CD-Rom and electronic and print re-uses, and from the Authors' Licensing & Collecting Society ("ALCS") of the United Kingdom to distribute payments to U.S. authors for secondary re-uses. *Id.*

Like the performing rights societies, American Society of Composers, Artists and Performers (ASCAP) and BMI, and the Copyright Clearance Center, see *American Geophysical Union v. Texaco, Inc.*, 60 F.3d 913, 929, (2d Cir. 1994) and other collectives, the Registry will act as a non-exclusive licensor of author-controlled rights.

There are still other legal methods for recovering for past misuses of material. A class action lawsuit, *Ryan v. Carl Corporation*, 97-3873-DLJ (N.D. Calif.), illustrates one of several ways in which Petitioners can respect their freelancers' copyright while at the same time completely avoiding the wholesale evisceration of the databases. *Ryan* was brought by several authors charging copyright infringement against Carl Corporation's "UnCover," a large, Web-based document delivery service. *Ryan v. Carl Corp.*, 23 F.Supp.2d 1146, 1155 (N.D. Calif. 1998). A class of authors, whose works were

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proceeds from the licenses they purported to grant the database Petitioners, whether based on a royalty formula or a flat fee, they could remit compensation to their contributors.

exploited by Carl and who had retained their secondary use rights to their works, was certified, and the parties ultimately reached a settlement. See Ryan, Settlement Agreement and Release, available at www.UnCoversettlement.com. A website was created which allowed authors to search for their names and determine whether any of their works were among the infringed works covered by the settlement. Pursuant to the Settlement Agreement and Release, the class of authors of infringed works was able to file their claims via the website.

The *Ryan* plaintiffs used the Authors Registry to match its database of authors' names against the settlement database. Registry News, at www.authorsregistry.org The Registry contacted the authors appearing in both databases to alert them to the settlement and claim procedures. A total of 9,190 notices were sent to potential class members using this method. The Court's Order of Dismissal entered November 13, 2000, released the Carl defendants from all claims related to the class's complaints of infringement. See www.UnCoversettlement.com. Yet the company is still able to continue to operate its document delivery service.

Indeed, class action lawsuits perform the salutary function of obtaining relief beneficial to the injured class members while at the same time providing a class-wide release from those claims to the defendants. *See, e.g., Authors Guild, et al. v. Dialog, et al,* 00 Civ. 6049 (S.D.N.Y.). In fact, plaintiffs in the Authors Guild case are in the process of negotiating a global settlement on behalf of the class with one of the defendants.

POINT II

THE DECISION BELOW PROPERLY ANALYZED THE STATUTORY LANGUAGE OF SECTION 201(C)

Amici strongly believe the Second Circuit correctly analyzed the provisions of Section 201(c). That section reads in part:

> In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

The Court below made reference to the statutory history of that provision, contained in the House Report on the Copyright Act of 1976, the definitive explanation of the law. H.R. Rep. No 94-1576, at 122-123, reprinted in U.S.C.A.A.N. 5659, 5738. That report noted that the above provision was meant to "clarify and improve the present confused and *frequently unfair legal situation* with respect to rights in contributions." *Id.* at 122 (emphasis added).

The "unfair[ness]" referred to covered situations where an author may have contributed an article (or piece of artwork) to a magazine without any contract specifying the scope of rights conveyed. In *Geisel v. Poynter Products, Inc.*, 295 F.Supp. 331 (S.D.N.Y. 1968), the

district court held that, based upon industry practice of the time, without an explicit reservation of rights by the author or creator, the magazine publisher "acquired from the author all beneficial as well as legal rights in every medium," 3 *Nimmer on Copyright* § 10.01[C][2] at 10-15.

Thus the new provisions of Section 201(c) can be read as greatly restricting the scope of rights acquired from an author making a contribution to a magazine, newspaper or other collective work, in the absence of a specific written agreement. That is, the law "clarif[ies]" and "improv[es]" the "unfair legal situation" confronting authors. It limits the scope of rights acquired by the publisher to three specific categories if a contract defining the specific rights granted is not signed by the author: (1) the right to use the article or other contribution in that particular edition; (2) the right to use the article in any "revision of that collective work"; and (3) a "later collective work in the same series."

The House Report makes reference to the permissible uses that fall within the statutory language.

> Under the language of this clause, a publishing company could reprint a contribution from one issue in a later issue of its magazine ["later collective work in the same series"], and could reprint an article from the 1980 edition of the encyclopedia in a 1990 revision of it ["any revision of that collective work"]; the publisher could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work. H.R. Rep. No 94-1576, at 122-123, reprinted in U.S.C.A.A.N. 5659, 5738.

Thus the *New York Times* might be able to reprint an earlier op-ed article in a later edition of the newspaper, if no contract had been entered into with its contributor. But the newspaper could not include the article in a book anthology of "The Best Op-ed Articles from *The New York Times*" since such a collection would be a "new anthology" or an "other collective work."

The question in this case is whether the NEXIS database to which all of the *New York Times* articles are conveyed by the newspaper as well as millions of other articles can be considered a "later revision of that collective work" or does it more logically fall into the prohibited categories described in the House Report: namely "a new anthology or an entirely different magazine or other collective work."

It certainly seems clear that the NEXIS database should be considered "a new anthology" or a "new . . . collective work" for the reasons stated by the Court below. "NEXIS is a database comprising thousands or millions of individually retrievable articles taken from hundreds or thousands of periodicals. It can hardly be deemed a 'revision' of each edition of every periodical that it contains." 206 F.3d at 168.

There is a vast difference between a single edition of a newspaper or magazine and the NEXIS database, which incorporates material from so many different sources. Under Petitioner's theory, whenever an author's material can be found in a larger corpus of material, it constitutes a "revision" of the original article. Such a conclusion would totally undermine the limited scope of rights granted under Section 201(c) which Congress was so careful to draw.

CONCLUSION

For the reasons stated above, *amici curiae* request that the decision below be affirmed.

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In The

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC., NEWSDAY, INC., THE TIME INCORPORATED MAGAZINE COMPANY, LEXIS/NEXIS, and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

v.

JONATHAN TASINI, MARY KAY BLAKELY, BARBARA GARSON, MARGOT MIFFIN, SONIA JAFFE ROBBINS, and DAVIS S. WHITFORD,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Second Circuit

BRIEF OF AMICUS CURIAE INTERNATIONAL FEDERATION OF JOURNALISTS IN SUPPORT OF RESPONDENTS

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BRIEF OF AMICUS CURIAE INTERNATIONAL FEDERATION OF JOURNALISTS IN SUPPORT OF RESPONDENTS

I. INTEREST OF AMICUS CURIAE[1]

The International Federation of Journalists ("IFJ") is an international confederation of journalists' associations and trade unions. It was first formed in 1926 and today it is the largest journalists' group in the world, counting more than 450,000 journalists in over 100 countries among its membership.

The IFJ is based in Brussels, Belgium. Its overarching goal is the improvement of the social and professional conditions of journalists, including the protection of its members' intellectual property rights. It speaks for journalists within the United Nations system and elsewhere in the international political and legal arenas, and works closely with international bodies, such as the World Intellectual Property Organization ("WIPO"), the European Union, UNESCO, and others, towards the achievement of its goals.

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[1] The International Federation of Journalists has obtained the written consent of all parties, through their respective counsel, for the filing of this brief. Those letters are on file with the Clerk's Office. No counsel for a party authored this brief in whole or in part, and no person or entity other than amicus curiae, or their counsel, made a monetary contribution towards the preparation or submission of this brief.

II. SUMMARY OF ARGUMENT

Courts, journalists, and publishers in many nations have been dealing with the issues presented in this case. This brief draws attention to pertinent foreign court decisions and considers some of the implications that arise from the fact that the issues here do not rest in an insulated cocoon of U.S. copyright law.[2]

A. European courts have consistently ruled that, under their respective laws, an author's rights in original work take precedence over the much more limited copyright enjoyed by a publisher who is allowed by the author to include that original copyrighted work in a printed collective work, such as a newspaper or journal. Publication of work in electronic media (like CD-ROM or computer database) is quite distinct from publication in more traditional print media. Accordingly, European courts have ruled that an author's consent to initial publication of an individual work in the frame of a collective production does not allow the publisher the right or privilege to include the author's work in CD-ROMs or on-line computer databases. Where blanket consent has been granted, it does not include electronic exploitation.

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[2] English-language translations of the foreign decisions discussed in this brief, other than those decisions that are available in on-line databases, are included in an Appendix to this brief. Citation to the Appendix is in the form "App. at ___." Certifications for these translations, and copies of the untranslated decisions themselves, have been lodged with the Clerk's Office. *See* "Lodging of Materials Referenced In Brief of *Amicus Curiae* International Federation of Journalists In Support of Respondents," lodged concurrently with the filing of this brief.

Thus, European courts recognize that the author retains the right to exploit this new opportunity for publication, at least until the author has specifically contracted that right away. *See, post,* section III.A.

B. Transnational uniformity in copyright law is a desirable objective in our technologically interconnected world. Uniformity should be achieved unless U.S. law or national interests dictate otherwise. European and U.S. copyright laws share common principles that counsel in favor of the parallel interpretation of those laws. *See, post,* section III.B.

C. In nations that recognize an author's continuing copyrights in electronic publications, and thus the author's right to compensation for the electronic publication of her works, licensing methods have been devised, thereby assuring public access to copyrighted works appearing in electronic media. *See, post,* Section III.C.

III. ARGUMENT

A. Foreign Court Decisions Have Consistently Recognized That An Author Enjoys A Continuing Copyright In The Electronic Publication Of Her Works Even Though She Has Agreed To Include Her Work In A Printed Collective Work

Berlin to Buffalo and Paris to Peoria, the basic transaction is similar. An author enjoys a copyright in her original work. She allows her article to be published in a printed compilation, say, a newspaper. She is paid by the newspaper's publisher for the privilege of using the article to enhance the financial success of the newspaper and,

thus, enrich the publisher. The author's contract with the publisher does not address other uses of the article, beyond its publication in the newspaper.

Technology has brought electronic media, and with it fresh opportunities to publish and exploit copyrighted works. Publishers have sold copyrighted materials for electronic publication, by way of such media as CD-ROM, NEXIS, and the like. Authors have sued, contending that they never bargained away electronic publication rights when they agreed to allow their original works to be included in printed collective works, like the newspapers or journals where their articles first appeared. The publishers generally have defended these suits on the ground that exploitation in these electronic media is the exploitation of the publishers' pre-existing, printed collective work.

Courts in France, Belgium, Germany, and the Netherlands have rendered decisions addressing this kind of circumstance. Those decisions consistently favor the authors.[3] They recognize that electronic publication is different from all prior forms of publication and distribution.

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[3] Two cases are pending in Canadian courts. These have not yet been decided on the merits. *See Robertson v. Thomson Corp.*, Case No. 96-CU-110595CP (Ontario Court Of Justice, General Division) (preliminary order, including a summary of the case, is available on Westlaw at 1999 CarswellOnt 301); *Association Des Journalistes Independants Du Quebec v. Cedrom-SNI*, Case No. C.S. Que. Montreal 500-06-000082-996 (Superior Court of Quebec) (preliminary ruling available on Westlaw (in French) at 1999 CarswellQue 3276).

These European decisions should inform the interpretation of U.S. copyright law: electronic publication in an on-line computer database or on CD-ROM is not a "revision" of the initial print publication of a particular collective work; it is something fundamentally different; the right to publish electronically works of original authorship remains with the author, unless the author expressly contracts it away; a publisher's right to exploit a printed collective work does not include electronic-media exploitation which has the effect of usurping the author's copyright in her original work. As leading commentators have explained, there is a trend towards synchronization in international copyright law:

> "National laws have . . . developed in response to the same media challenges worldwide and within overlapping legal cultures. Internationally, they have benefited from the 'more or less gentle and gradual pressure towards harmonization' which the Berne Convention has exercised." *See* Paul Edward Geller, *International Copyright: An Introduction*, at INT-11-12, *in* 1 Paul Edward Geller & Melville B. Nimmer, *International Copyright Law* (hereafter "Geller & Nimmer") (2000).[4]

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[4] *See also* Paul Edward Geller, *From Patchwork To Network: Strategies For International Intellectual Property In Flux*, 31 Vand. J. Transnat'l L. 553 (1998) (hereafter *"From Patchwork to Network"*) (arguing that intellectual property law should be harmonized from country to country, to the greatest extent possible, to keep pace with the globally networked marketplace).

France. Le Figaro v. National Journalist Labor Union (App. at 1-8). Le Figaro, a major French daily newspaper, began publishing an electronic edition accessible via the Internet. The web site also included an archive that allowed users to search for and obtain copies of articles published in earlier editions of the newspaper. Journalists (and their union) brought suit, claiming Le Figaro's electronic service violated the authors' copyrights in their works. Le Figaro contended that its newspaper was a collective work, for which it owned the copyright, and it therefore was entitled to publish an electronic edition. The lower court enjoined Le Figaro from electronically accessing the plaintiffs' articles (without their permission), and awarded damages.

The Court of Appeals of Paris affirmed. The court's decision was based in part on its view that electronic publication "cannot be compared to an extension of the print distribution. . . . " (App. at 6). The court also rejected Le Figaro's position on the ground that "what is published in this manner is not the entire newspaper but contributions, i.e. works of journalists, with the exclusion of pictures and certain graphics." (App. at 6-7). The court concluded that the journalists' grant of reproduction rights to Le Figaro ended after first publication, and Le Figaro was required to obtain further consent from the authors for electronic publication.

French Journalist Labor Union CFDT, et al. v. SDV Plurimedia (App. at 9-24). In this case, journalists brought suit against Plurimedia, a company that operated an Internet web site publishing articles licensed from a French newspaper, Dernieres Nouvelles d'Alsace ("DNA"), and works from a French television station

("FR 3"). The opinion reflects that Plurimedia essentially was the technical service provider for the electronic publication of DNA's newspaper. DNA and FR 3 selected the material that was to be published on the web site. (App. at 13).

The journalists contended that DNA's license to Plurimedia for electronic publication of their works amounted to copyright infringement. Plurimedia contended that it properly licensed the works from DNA and FR 3, holders of the copyrights to their respective collective works. The departmental (lower) court of Strasbourg ruled that the journalists' copyrights had been infringed because DNA and FR 3 had not obtained the authors' electronic rights in the first place. The court enjoined Plurimedia from further electronic publication (without the journalists' consent), and awarded damages. Again, the theory of the French court was that electronic publication was different from print publication. (App. at 18).[5]

Belgium. *Association Generale des Journalistes Professionnels de Belgique v. SCRL Central Station, et al.*, 1998 E.C.C. 40 (available on Westlaw, at 1996 WL 1093217). As succinctly described in the court's opinion, the defendant SCRL Central Station ("Central Station") operated a service much like LEXIS/NEXIS:

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[5] Plurimedia appealed. The opinion of the Court of Appeals of Colmar reflects that the journalists and the newspaper, DNA, entered into an agreement regarding the electronic publication of the journalists' works during the pendency of the appeal. (App. at 29-32). *See, post,* Section III.C.

> "Every evening, when the various editions of the newspapers [of the principal Belgian publishers] are ready and are being sent for printing, they are transmitted at the same time to the Central Station server. A large database of press articles is then formed. By means of its different products, Central Station offers the selective electronic distribution of that information. . . . The public can use the Central Station server via the Internet." 1998 E.C.C. at 42.

The union for journalists whose articles were sent to Central Station sued, claiming the electronic publication of their works at Central Station was copyright infringement. Central Station contended that electronic publication was no different than traditional print distribution, for which the journalists had licensed their works. *Ibid.*

The Belgian court enjoined Central Station from electronic publication without the authors' express consent, and awarded a liquidated sum as damages for any future violation of its judgment. *Id.* at 46. The court reasoned, much like the French courts, that electronic publication is different than prior forms of distribution:

> "The members of the public who use the Internet are not the same as those who read daily newspapers, being far more international and more numerous. The Central Station system enables articles to be selected by subject, but with all opinions represented, whereas a printed newspaper covers numerous subjects, but is characterized by a certain political and social shade of opinion. Central Station is not designed as a tool which is intended to replace

newspapers, but as a selective distribution service. . . . Therefore the printed press is not the same as the Central Station network." *Id.* at 45.[6]

Germany. *Freelens Verein der Fotojournalistinnen v. Spiegel Verlag Rudolf Augstein* (App. at 45-75). Plaintiff, a society of freelance photojournalists, sued a magazine publisher over the latter's sale of a CD-ROM containing all issues of its magazine for a given year. The CD-ROMs contained complete issues of the magazine, including photographs, and excluding only advertisements. Thus, the electronic product at issue in *Freelens* appears similar to the NY Times OnDisc CD-ROM product at issue in *Tasini*. The freelance photojournalists claimed that the CD-ROMs infringed their copyrights in the photographs they submitted to the magazine.

Reversing a lower court's decision,[7] the appellate court concluded that "the overwhelming legal consensus [is] that the CD-ROM is a new, independent type of use in comparison with the magazine, the annual volume and even microfiche. . . . " (App. at 61). The court's analysis

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[6] The Brussels Court of Appeals affirmed. That decision is discussed in Jane C. Ginsburg, *Electronic Rights in Belgium and France*, 22 Colum.-VLA J.L. & Arts, 161-163 (1998), and an abridged version of the opinion is included in the appendix to the law review volume containing Professor Ginburg's article. *See* 22 Colum.-VLA J.L. & Arts, 177, 195-197. The Court of Appeals also ruled that "the electronic distribution that the appellant proposes is a distinct and parallel one, and brings a new and added value. . . . " *Id.* at 197.

[7] The lower court accepted the publisher's argument that the CD-ROM compilation was merely a substitution for the microfiche anthologies previously put out by the magazine, to which the photojournalists did not protest.

focused particularly on two unique features of electronic media:

> "The search option in particular opens up new sales markets and thus increases the sales chances. . . . In addition, the economic interests of the author/photographer are especially endangered in the case of transmission of his photographs on CD-ROM, because once an image has been digitized, it can be processed without any loss of quality, even worldwide over data networks. Parallel use on multiple computers is even possible in server operation, unlike the annual volume of a magazine or microfiche." (App. at 63).

The German court rejected the publisher's argument that requiring it to locate and obtain electronic rights from innumerable photojournalists was unduly burdensome. (App. at 70-71). The court noted that "to prevent countless additional agreements, a solution to the problem must be achieved with the help of the performing rights companies." (App. at 70). The court remanded the case to the lower court for a determination of damages.

Netherlands. *Heg, et al. v. De Volkskrant.*[8] Three freelance authors, and the Netherlands Association of Journalists, sued the large Dutch newspaper De Volkskrant, contending that electronic publication of their works on the De Volkskrant Internet web site, and in a quarterly

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[8] This decision is summarized in P. Bernt Hugenholtz, *Electronic Rights and Wrongs In Germany and The Netherlands*, 22 Colum.-VLA J.L. & Arts 151, 155-159 (1998). An abridged version of the decision is included in the appendix to the law review volume containing Professor Hugenholtz's article. *See* 22 Colum.-VLA J.L. & Arts 177, 181-189.

CD-ROM compilation of the newspaper, violated their copyrights. As in *Tasini*, there were no written license agreements, and the plaintiffs contended that implicit licenses were granted only for first-run traditional print rights. *See* Hugenholtz, *supra*, 22 Colum.-VLA J.L. & Arts at 155. De Volkskrant argued that the electronic publication and electronic archiving of plaintiffs' works were no different than the microfilm volumes previously published by the newspaper, to which the plaintiffs had not objected. *Ibid.*

The Amsterdam District Court ruled in favor of the authors. The court viewed the CD-ROM as a new compilation of separate articles "by which circumstance the cohesion which makes these articles a newspaper in the paper edition is lacking in the CD-ROM." *Id.* at 186. The court also ruled that the De Volkskrant Internet web site differed substantially from the newspaper's print version, both in content and in its global reach. *Ibid.* The court concluded that the CD-ROM and Internet versions of De Volkskrant were not simply extensions or substitutes of existing archival or documentary media, but rather amounted to "independent form[s] of reproduction and publication." *Ibid.*[9]

* * *

[9] Professor Hugenholtz notes at the conclusion of his article that De Volkskrant filed an appeal in this case. *Id.* at 158. Neither amicus curiae nor their counsel have been able to locate any further court decision.

These decisions are based on the judicial recognition that electronic publication is different than all prior forms of distribution of original works of authorship.[10] This distinction applies equally well in the U.S. and it should guide the Court's construction of provisions of the Copyright Act:

> "The reason that newspapers and magazines have traditionally settled only for the right to be first to publish an author's article is because the value of publishing the article lies almost entirely in being the first publisher to put it into print . . . . "
>
> "The principle has been turned on its head as newspapers and magazines now publish electronically to a potential worldwide audience and the stories they publish have more lasting value in online databases. Individual articles, though they previously had a lasting value in libraries, are now far more accessible through online databases and even represent a profit center . . . . " Matthew Hoff, *Tasini v. New York Times: What The Second Circuit Didn't Say*, 10 Alb. L.J. Sci. & Tech. 125, 161 (1999).

There is another feature of the European decisions that also should be considered. European courts have

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[10] Notably, the European concept of authors' "moral rights" does not determine the outcome in these cases. Some European jurisdictions afford copyright holders both a "moral right," which may be defined roughly as paternity of a work and a right to object to its derogatory treatment, and an "economic right," which more closely parallels the bundle of exploitation rights afforded under U.S. copyright law. In the European cases we have described in this brief, the courts have reasoned that electronic publication violates the authors' economic rights.

relied on the way in which the electronic media are used when considering the question whether they: (a) are akin to the traditional print publications, including microfilm and microfiche, that the authors agreed to license; or (b) are something significantly different, for which the publishers must be required to remit a portion of their electronic publication license fees to the authors. Like Central Station in Belgium, LEXIS/NEXIS and the CD-ROM products at issue in the *Tasini* litigation are "not designed as a tool which is intended to replace newspapers, but as a selective distribution service. . . . " LEXIS and the CD-ROMs are used for research purposes, by searching for journalists' articles by subject matter or other criterion.[11] The products do not substitute for the hard-copy newspaper delivered to the doorstep each morning. Indeed, these products have substantial economic value *precisely because* they are not merely "revisions" of traditional printed newspapers. Similarly, they represent an economically valuable improvement over microfilm and prior generations of research tools.

B. United States Copyright Law Should Be Construed In Harmony With The Similarly Minded Laws Of Other Nations Unless Congress Has Clearly Dictated Differently

In an electronic world, where technology defies traditional borders, it is important that transnational intellectual property laws maintain a cohesion and uniformity to

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[11] *See, e.g.*, Brief of Amicus Curiae of Ken Burns, et al. In Support Of Petitioners.

the maximum extent consistent with vital national interests. *Cf.* Geller, *supra, International Copyright: An Introduction,* at INT-11-12 *in* 1 Geller & Nimmer.

A "primary objective" of the Berne Convention, to which the United States has subscribed, is "to protect, in as effective and uniform a manner as possible, the rights of authors in their literary and artistic works."[12] Irene Segal Ayers, *Comment: International Copyright Law And The Electronic Media Rights of Authors and Publishers,* 22 Hastings Comm. & Ent. L.J. 29, 58 (1999). "The aim of most international initiatives in the field of copyright law is to achieve a mosaic or 'seamless web' of territorially-bound, national systems of copyright protection." Graeme W. Austin, *Domestic Laws and Foreign Rights: Choice of Law In Transnational Copyright Infringement Litigation,* 23 Colum.-VLA J.L. & Arts 1, 23 (1999); *cf.* Geller, *supra, From Patchwork To Network,* 31 Vand. J. Transnat'l L. at 569 ("[I]n the field of intellectual property generally, international treaties, such as the Berne and Paris Conventions, have proved effective in forestalling many, though far from all, of the conflicts to which patchwork law is susceptible.").

European and U.S. copyright laws are similar in important respects. Both recognize a hierarchy between

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[12] The Berne Convention for the Protection of Literary and Artistic Works is "the highest internationally recognized standard for the protection of works of authorship of all kinds." It "has been the major multilateral agreement governing international copyright relations" for more than 100 years. *See* S. Rep. No. 100-352 (regarding P.L. 100-568, Berne Convention Implementation Act of 1988), 100th Cong., 2nd Sess. 2 (1988).

an author's copyright and that of the publisher of a collective work. *Compare Warren Publishing, Inc. v. Microdos Data Corp.*, 115 F.3d 1509, 1514, n. 16 (11th Cir. 1997) ("There are three types of work that are entitled to copyright protection – creative, derivative, and compiled. . . . A creative work is entitled to the most protection, followed by a derivative work, and finally by a compilation.") *and Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, 499 U.S. 340, 349, 111 S.Ct. 1282, 1289, 113 L.Ed.2d 358 (1991) ("This inevitably means that the copyright in a factual compilation is thin.") *with, e.g.*, Dr. Adolf Dietz, *Germany, in* 2 Geller & Nimmer, at GER-19 (noting how the "main purpose and noblest task of [German copyright] law is to furnish protection to writers, composers, visual artists, and other human creators."). The copyright interest of the publisher of a collective work is limited to the selection and arrangement of the included works, and does not extend to the works themselves. *See Feist*, 499 U.S. at 348; Herman Cohen Jehoram, *Netherlands, in* 2 Geller & Nimmer, at NETH-17 (noting that Dutch copyright law "does not give extensive rights" to publishers of compilations because publishers' rights are "subject to the copyright in each of the separate works"); Dietz, *Germany, in* 2 Geller & Nimmer, at GER-28 (explaining how, under German copyright law, "[c]ompilations are protected by copyright if, by virtue of the selection or arrangement of their components . . . they are protected as independent works, without prejudice to the copyright in the works thus collected, if indeed any works as such are included.").

While European copyright regimes may not include statutory provisions like 27 U.S.C. § 201(c), affording a

"privilege of reproducing and distributing . . . any revision of [a] collective work . . . ," it is recognized that European publishers do have the right to publish revisions, new editions, and annual compilations of their existing collective works – in print – without the need for further consent from contributing authors. Typically this is accomplished by virtue of the "purpose of grant" doctrine, which holds that, unless otherwise specified, an author grants those rights necessitated by the purpose pursued in the grant at issue. *See, e.g.*, Hugenholtz, *supra*, *Electronic Rights and Wrongs in Germany and the Netherlands*, 22 Colum.-VLA J.L. & Arts at 153-154 (describing the purpose of grant doctrine); *FreeLens* (App. at 61) ("CD-ROM is a new, independent type of use in comparison with the magazine, the annual volume and even microfiche in the sense of [the purpose of grant doctrine]. . . . ").

Thus, working with similar principles, European courts have concluded that electronic publication of copyrighted works differs so substantially from traditional forms of publication that additional consents from authors are required. The rulings are not based on the fact that the works are being published in new media. Rather, the courts find significance in that, when published electronically, the collective works lose the form they had in print, and in that electronic publication facilitates different uses of the works than does print publication.

All this suggests that, for purposes of interpreting 27 U.S.C. § 201(c), electronic publication should be considered something more than just a "revision" of prior forms of print publication.

C. The European Experience Teaches That Court Rulings In Favor Of Authors' "Electronic Rights" Do Not Result In The Withdrawal Of Literary Works From The Electronic World

The practical issue here is whether, on the one hand, publishers may keep entirely for themselves the money they obtain by exploiting electronic publication or whether, on the other hand, the authors are entitled to share in the fruits of electronic publication because their original works of authorship are being exploited.

The publishers predict a biblical Armageddon where fear of copyright infringement liability to widely scattered authors, and the inability to construct an effective licensing system, "will require publishers and electronic database companies, nationwide, irreversibly to delete tens of thousands of freelance contributions currently stored in electronic achieves . . . [and] [i]t also will force the wholesale destruction of CD-ROMs containing periodicals. . . . " Petition For A Writ of Certiorari, at 2.

"The proof of the pudding is in the eating."[13] The approaches taken in countries that have recognized authors' rights in electronic publication media should assuage the fears that have been expressed in this case.

In France, after the *Plurimedia* decision, the journalists' union and DNA entered into a negotiated agreement regarding compensation for electronic publication rights to the journalists' works. (App. at 29-32; 39-44). The journalists are to receive ten per cent of the net profit earned

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[13] *Darr v. Burford*, 339 U.S. 200, 232 (1950) (Frankfurter, J., dissenting).

by the publisher from the freely available electronic publication of DNA, subject to an annual minimum compensation amount, and eight per cent of the gross income earned by the publisher for paid use of its electronic publications.

The Norwegian Union of Journalists and the Norwegian Newspapers Publishers' Association reached an agreement regarding compensation for electronic publication of the authors' works even in the apparent absence of a judicial decision. *See* Agreement on Copyright Between NJ (Norwegian Union of Journalists) and NAL (Norwegian Newspapers Publishers' Association)/UA (Norwegian Weekly Magazines Employers' Association) <http://www.authorsrights.org/doc/agrnal.pdf> (as of 2/16/01). Authors receive a pre-determined compensation for some channels of electronic publication, (*e.g.*, Internet publication), and some forms are left open to future, project-specific negotiation (*e.g.*, CD-ROMs, DVDs).

There are also examples from Germany. *See, e.g.*, MTV Zeitschriften <http://www.authorsrights.org/doc/agrmtvz.pdf> (as of 2/16/01). Under this agreement, for example, certain authors whose works are exploited electronically by the publisher are entitled to share in the publisher's profits from electronic publication.

In addition, clearinghouses similar to ASCAP[14] have developed to assist in the management of electronic

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[14] " 'ASCAP was organized as a "clearing-house" for copyright owners and users to solve these problems' associated with the licensing of music . . . its 22,000 members grant it nonexclusive rights to license nondramatic performances of

rights. The Electronic Rights Licensing Agency ("TERLA") is a non-profit Canadian-based copyright collective organization that provides "a place where publishers can clear rights and . . . a service keeping track of and monitoring usage, collecting and distributing royalties." <http://www.terla.com/policy.html> (as of 2/16/01). The Authors' Licensing and Collecting Society ("ALCS") is a non-profit London-based organization also exploring ways to manage electronic rights licensing. <http://www.alcs.co.uk/introduction.html> (as of 2/16/01). ALCS is developing ByLine, an Internet syndication service. The service "offers both print syndication and licensing for electronic use in other databases, in multimedia and multi-author projects like CD-ROMs." <http://www.alcs.co.uk/depts___ByLine.html> (as of 2/16/01).

This is by no means a comprehensive listing of all electronic rights agreements, clearinghouses, or potential solutions to the management of electronic rights. These examples from outside the United States suggest that authors and publishers are capable of reaching agreement regarding electronic publication issues and compensation. They demonstrate that creative people can come up with creative solutions to the management of electronic rights. And, significantly, electronic resources have not completely disappeared in Europe in response to court

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their works, and ASCAP issues licenses and distributes royalties to copyright owners in accordance with a schedule reflecting the nature and amount of the use of their music and other factors." *Broadcast Music, Inc. v. Columbia Broadcasting System, Inc.*, 441 U.S. 1, 5, 99 S.Ct. 1551, 155, 60 L.Ed.2d 1 (1979).

rulings favoring the electronic rights of authors in their copyrighted works.

IV. CONCLUSION

The judgment of the Court of Appeals should be affirmed.

Respectfully submitted,

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Dated: February 16, 2001

APPENDIX

Translation from French

Court of Appeals of Paris, First Court A

Order of May 10, 2000

Le Figaro's Management Company /
The National Journalist Labor Union (SNJ),
Ms. S.L., Messrs. F.B., P.K., F.P., P.L., P.B., F.B., P.C.

- **Joint brief**
- **Text of the ruling**

Le Figaro's Management Company released an electonic edition offering access to Le Figaro's files via the minitel [*trademark for an electronic directory terminal marketed by the French Department of the Post Office and Communications – Translator's note*]. Said access includes issues published over the past two years, coupled with the ability to obtain copies of the articles, either via fax or e-mail.

Considering this process to be an infringement of the rights of journalists over their articles, the National Journalist Labor Union (hereinafter SNJ – *Syndicat National des Journalistes*) and eight journalists have brought a lawsuit before the departmental court of Paris in order to obtain a restraining order [barring Le Figaro] from operating the [web] sites in dispute subject to a daily penalty payment of 10,000 FRF, to appoint an expert to determine the compensation and royalties owed as a result of infringement, and to publish the ruling in the newspaper of the plaintiffs' choice.

Pursuant to the ruling of April 14, 1999, the court:

- prohibited Le Figaro's Management Company from electronically accessing articles authored by the plaintiffs, via access number 08 36 29 18 54, without having been explicitly authorized to do so by the plaintiffs. [Unauthorized use of said articles would be] subject to a daily payment penalty of 10,000 FRF at the end of one month following the notification of this decision,

- appointed Mr. Mercury, in his capacity as expert, and requested him to forward all documents and other information [that would aide in] determining the royalties to be received by the journalists, in accordance with the number of uses, in exchange for the infringing reproduction of their works on the minitel.

The court,

Having seen the appeal made against this ruling by Le Figaro's Management Company;

Having seen the conclusions dated October 15, 1999, in accordance with which the appellant petitions the court, by reversing the summary ruling, to:

- to declare that the SNJ is inadmissible in its lawsuit, due to its lack of right to initiate a lawsuit, pursuant to Article 122 of the NCPC [New Civil Procedural Code],

- to declare that the newspaper constitutes a collective work and, as such, is endowed with copyrights, including those indicated by Article L. 111-1 of the Intellectual Property Code and pursuant to Article L. 113-5 of said code, and is accordingly entitled to distribute an electronic edition of the title,

- to subsidarily, and in any other hypothesis to the contrary, declare that "to the extent a delineation of copyrights transferred by newspaper journalists is

necessary, this transfer is not limited to the initial print publication with no other right for the newspaper, but instead includes the possibility of a plurality of print editions, including an electronic edition, to the extent that it is an edition of the newspaper itself. This shall be notwithstanding any individual rights over separate components, beyond the newspaper, that may be held by third parties, and in particular, those outside of the debate submitted to the court,"

- to, therefore, dismiss all claims of the defendants.

Having seen the conclusions of November 25, 1999, by virtue of which the appellant petitions the court

- to state that Le Figaro's Management Company possesses only the rights of first publication, and that the aforementioned action infringes on the rights of the company's salaried journalists or independent contractors,

- to prohibit Le Figaro's Management Company from using all works of journalists or independent contractors, either by means of the minitel or on the Internet, subject to a daily payment penalty of 10,000 FRF,

- to appoint an expert to determine the amount of compensation or royalties owed as a result of infringements upon the right of reproduction, the right of representation and the right of dissemination of the moral right, both to journalists attending the proceeding and other journalists or independent contractors authors who have contributed works to Le Figaro newspaper,

- to order the appellant to pay the amount of 10,000 FRF to each of the defendants as per Article 700 of the NCPC,

- to order the publication of the "ruling" in a newspaper of their choice within the limit of 20,000 FRF excluding taxes;

Discussion

With regard to the proceeding:

Whereas the judge preparing the case ordered that the investigation be closed as per an ordinance of March 14, 2000;

Whereas, according to records dated March 22, 2000, Le Figaro's Management Company requests the dismissal of this order and rejection of oral arguments on the grounds that the expert appointed by the court has filed his report;

But whereas the filing of this report does not constitute a serious cause capable of justifying the dismissal of the closing order, as neither party has concluded on the amount of compensation and royalties, the court would be responsible for reopening the arguments, if deemed necessary to rule on this point;

That the petition submitted by the appellant company must, consequently, be rejected.

Regarding the National Journalist Labor Union's right to initiate a lawsuit

Whereas pursuant to Article L. 411-11 of the Labor Code, labor unions can, in all jurisdictions, exercise all rights reserved to the civil party involving the direct or indirect damage to the collective interest of the profession they represent;

Whereas in the present case, noncompliance with the copyrights of journalists raised is such as to entail direct or indirect damage to the collective interest of the profession represented by the SNJ considering that the dispute raises an ethical question, and whereas the solution of said dispute can be extended to other corporate members of the labor union, it follows that the lawsuit initiated by the SNJ is admissible.

On the merits

Whereas Article L. 111-1 of the Intellectual Property Code states that the author of an intellectual work enjoys an exclusive and enforceable intangible property right over his creation, constituting intellectual and moral attributes as well as capital attributes, and that the existence or the creation of a work or service contract by the author of an intellectual work entails no waiver of the enjoyment of this right;

That by virtue of Article L. 131-3 of the same code, the transfer of copyrights is subject to the condition that each of the rights transferred must be separately disclosed in the transfer document and that the scope of operation for exploiting the rights transferred must be limited in scope and intent, with regard to the place and duration;

Whereas lastly, pursuant to Article L. 131-6, the clause of a transfer that is intended to cede user rights over a work in a way not foreseeable or anticipated as of the date of the contract must be explicit and stipulate the author's share in any profits;

Whereas these provisions are applicable to a journalist who, notwithstanding his employment relationship with the newspaper company employing him, is the sole proprietor of the right over his work published in the newspaper;

That in the present case, neither labor contracts nor the national journalist labor union collective agreement provides for special provisions related to the transfer of use rights over articles authored by journalists;

And whereas Article L. 761-9 of the Labor Code subordinates the right of publishing articles or other literary or artistic works authored by journalists in more than one newspaper or periodical to an explicit agreement specifying the conditions under which said reproduction is authorized;

Whereas in this regard, it is insignificant whether or not the newspaper constitutes a collective work;

Whereas the appellant has failed to justify such an authorization, which contrary to that alleged by the interested party, cannot be deducted from the whole compensation under the conditions stated by Article L. 132-6 of the Intellectual Property Code.

Lastly, whereas the distribution of the electronic edition of Le Figaro via the minitel and its filing on the server cannot be compared to an extension of the print distribution, as this involves a new technology that could not have been anticipated when the labor contract was entered into, and a use by the publishing company by means of a royalty according to the duration of access; that furthermore, what is published in this manner is not

the entire newspaper but contributions, i.e. works of journalists, with the exclusion of pictures and certain graphics;

Whereas, therefore, it is due and proper that the initial judges deemed that the right of reproduction transferred to Le Figaro's Management Company ended after first publication in the form agreed-upon, i.e. the first print edition. Hence, any new reproduction on the same type of medium or a different medium necessitates a prior agreement of the contracting parties, in exchange for equitable compensation;

Whereas since such agreement was not demonstrated, the ruling (subject to a daily payment penalty) prohibiting Le Figaro's Management Company from electronically distributing the articles authored by journalists, must be confirmed;

Whereas, as it has been demanded by the defendants, this prohibition should be extended to any form of use of said articles on the Internet, which again involves a method of exploitation not anticipated when the contracts were entered into and accordingly not targeted thereby;

Whereas the decision must also be confirmed for having rejected the demand for the publication of the ruling and there is no reason to modify the task entrusted to the expert;

Whereas in all fairness the demands made by the defendants based on Article 700 of the NCPC should also be heard.

The Ruling

The court, handing down its ruling to both parties in a public hearing:

- **declares the National Journalist Labor Union as being admissible in its lawsuit;**
- **onfirms the ruling undertaken;**

Adding the following:

- **prohibits Le Figaro's Management Company from using articles over the Internet if not explicitly authorized by the authors thereof, subject to a daily payment penalty of 10,000 FRF at the end of one month starting from the notification of this ruling;**
- **orders Le Figaro's Management Company to pay the defendants the total amount of 20,000 FRF pursuant to Article 700 of the NCPC;**
- **orders the company to pay costs of the appeal.**

The court: Ms. Claire Favre (presiding judge), Ms. Geneviève Bregeon and Mr. Dominique Garban (counselors), Ms. Brigitte Gizardin (standing in for the attorney general).

Attorneys: Messrs. Paul Lombard, Marc Louvet and Hassler.

- **Brief Jnet**
- **Text of the ruling**

Departmental Court of Strasbourg
Summary commercial ordinance of February 3, 1998
(reversed by the Court of Appeals of Colmar – September 1998)

French Journalist Labor Union CFDT (USFJ), National Journalist Labor Union (SNJ),
V.C.W., E.K., C.F., R.K./SDV Plurimédia

Consolidation: SNJ, G.C., M.T./SDV Plurimédia

- **Brief(April)**
- **Brief(September)**

The SNJ (National Journalist Labor Union), Mr. G.C., journalist, Mr. T., reporter have brought a lawsuit against SA SDV Plurimédia before this court's judge of urgent commercial matters;

They claim that this company is an operator on the Internet that does business in the provision of access to the network; in this capacity, it emits broadcasts from the regional station of FR 3 such as the local edition of the Alsatian newspaper, Rund-Um, and the summary of the televised evening news journal.

By means of separate summons, the USJF [*Union syndicale des journalists français* – French Journalist Labor Union], the SNJ, Ms. V. C. W., journalist, Mr. C.F., journalist, Mr. R.K., journalist, have brought a lawsuit against the company called Plurimédia [claiming that said company] distributes the DNA [*Dernières Nouvelles d'Alsace* – Latest Alsatian News] newspaper on the Internet.

The two claims have been combined.

The plaintiffs are not compensated for the distribution of their articles.

They dispute these daily broadcasts since they deem that they are performed illegally, as FR 3 and the DNA [newspaper] have not obtained the consent of the journalists/authors.

They maintain that the lawsuit of the labor unions is admissible, since it is accompanied by the participation of journalists acting individually.

As this involves an issue that is clearly illegal, the judge of urgent matters shall have jurisdiction.

On the merits, they raise the issue of distribution on the Internet presuming ownership by the distributor of the work's copyrights; whereas in the present case, this condition has not been met.

Concerning the DNA [newspaper]:

The newspaper enjoys copyrights of a collective work, but [only] under the conditions acknowledged by the labor contract and the collective agreement. The newspaper's ownership of said rights does not deprive the author of his moral and monetary rights.

On one hand, only the initial publication is assigned to the newspaper, however, on the other hand, any transfer in an unforeseeable manner must be included in a special provision.

Concerning FR 3:

The journalists and the labor union maintain that the audiovisual press involves a collective work.

Presuming that FR 3 is the producer, which is a simple presumption, it is the labor contract and the collective agreement that determine the extent of the transfer.

However, neither the provisions of the Labor Law, nor those of the collective agreement have been met.

The plaintiffs believe that there has been a clear violation of financial and moral rights. In order to force the DNA [newspaper] and FR 3 to negotiate a financial compensation for journalists, they demand that any further distribution [of works] be ordered subject to a daily payment penalty.

They conclude:

For the DNA [newspaper]:

- to formally notify the plaintiffs to commit to sueing Plurimédia on the merits within two weeks of the ordinance,
- to prohibit Plurimédia, subject to a daily payment penalty of 5,000 FRF, from distributing the DNA newspaper on the Internet until an agreement has been reached between the labor unions and the publishing company of the DNA journal,
- to order the defendant to pay all costs and expenses of the proceeding.
- to order the defendant to pay 1,206 FRF including all damages/interests for the penalties and incidentals of the trial to each of the defendants based on Article 700,
- to order Plurimédia's ruling to be published on the Internet and in the DNA [newspaper] up to 20,000 FRF.

For FR 3:

- to formally notify the plaintiffs to commit to sueing Plurimédia on the merits within two weeks of the ordinance,
- to prohibit Plurimédia from broadcasting emissions of France 3 on the Internet, subject to a daily payment penalty of 5,000 FRF, until an agreement has been reached between the labor unions and France 3,
- subsidarily to order the notification of the use account, of the accounting ledger and the newspaper in 1996 and as of the first quarter of 1997, subject to a daily payment penalty of 1000 FRF, in order to determine the cash flow of FR 3 with Plurimédia, and the copyright transfer contract linking FR 3 with Plurimédia.
- to order the defendant to pay all costs and expenses of the proceeding,
- to order the defendant to pay 5,603 FRF including all taxes for damages/interests for the penalties and incidentals of the trial to each of the defendants pursuant to Article 700,
- to order Plurimédia's ruling to be published on the Internet and in the DNA [newspaper] up to 20,000 FRF.

The company called SDV Plurimédia states that according to its contract dated October 24, 1995, the DNA [newspaper] passed control for the distribution of hardware allowing the opening and operation of the Internet site on which the newspaper could be read. That by means of the contract dated November 7, 1997, [said company] entered into the distribution of two Rund-Um and *Journal Tout Images* broadcasts, along with FR 3, for a

period of six months. It is limited to a technical role. The contents of the sites being determined by the publisher of the newspaper and FR 3.

Site access is free-of-charge.

It maintains that no infringement may be claimed, as there is no legal reproduction made without authorization of the owners of the literary and artistic copyrights.

It considers that it has the authorization of the sole literary and artistic copyright holders, i.e. respectively the DNA [newspaper] and FR 3.

With regard to the DNA [newspaper], this company is endowed with the copyright pursuant to Article L. 113-7 of the Intellectual Property Code over collective works. It can decide to authorize the access thereof over the Internet.

Even assuming that a journalist does not take part in the collective work, he would be linked by the provisions of his labor contract according to the terms under which the payment of his salary is made in exchange for the rights that he transfers to publish the work in the newspaper that employs him and under the terms of Article L. 761 cf. of the Labor Code, which do not require an explicit agreement for the publishing rights of works in more than one periodical. However, in the present case, the DNA [news] viewed on the Internet are the same as those read in the newspaper.

With regard to FR 3, as per Article L. 113-7 of the CPI [Intellectual Property Code], an audiovisual work is considered a collective work that is the property of the legal

entity on the initiative of and under the management of which it was created and distributed.

France 3 may, thus, decide to provide access thereof over the Internet.

Subsidarily, under the terms of Article L. 132-24 the CPI, the contract binding the producer to the authors of an audiovisual work prevails, unless otherwise stipulated, over the transfer in favor of the producer of the exclusive use rights of the work.

Plurimédia concludes:

Having seen Articles 872 and 873 of the NCPC,

- notes that when the company called SDV Plurimédia provides services intended to allow the access to Rund-Um and *Journal Tout Images* broadcasts over the Internet, it does so by order of the FR 3 company, [which is the] sole holder or in any case transferee of the use rights.
- declares that the plaintiffs have established no clear illegal issue, no risk of imminent damage and nothing that would justify the serious steps requested thereby,
- states that there is no reason for a summary application,
- requests the dismissal of all claims of the SNJ, Ms. and Messrs. C. and T.

Having seen Articles 872 and 873 of the NCPC,

- notes that when the company called SDV Plurimédia provides services intended to allow access to the newspaper *Dernières Nouvelles d'Alsace* on the Internet, it does so by order of its

publishing company, sole party "endowed with the copyrights" by virtue of Article 113-5 of the Intellectual Property Code and moreover, is authorized to do so by "explicit agreements" set forth by Article L. 761-9 of the Labor Code.

- declares that the plaintiffs have established no clear illegal issue, no risk of imminent damage and nothing that would justify the serious steps requested thereby,

- states that there is no reason for a summary application,

- requests the dismissal of all claims of the USFJ CFDT, SNJ, Ms. and Messrs. C.W., K., F. and K.

THE FACTS

Plurimédia offers subscriptions allowing access to the Internet.

By means of the contract dated October 24, 1995, entitled "Internet service contract", the DNA [newspaper] and Plurimédia entered into an agreement the object of which is for the DNA to allow technical support to be provided by Plurimédia for distributing the daily newspaper on the Internet.

For Plurimédia, this involves providing the necessary hardware (telecommunication connection, assemblers, networks, computers, software, etc.) to the DNA [newspaper] and primarily to ensure the tracking and maintenance of operations.

The DNA [newspaper] has stipulated that it has full ownership of the texts (Article 1). The company called

Plurimédia has committed itself as technical service provider and shall not alter, modify, delete or add items to the content transmitted by the DNA [newspaper] (Article 1).

By means of a private document dated November 7, 1997, Plurimédia and FR 3 entered into an experimental contract providing the distribution of two Rund-Um and *"Journal Tout Images"* broadcasts via the Internet over a six-month time period.

Plurimédia provides FR 3 with a server. Its role is technical. FR 3 remains owner of the industrial and intellectual property rights (Article 3-14).

Regarding the form

Within the framework of a current and ongoing dispute, the lawsuit brought forward by the labor unions, from the moment it was initiated to protecting the collective and/or individual interests, is admissible. In the present case, it is furthermore brought forward by journalists.

The judge for urgent matters has jurisdiction pursuant to Article 809 of the New Civil Procedural Code (even in the event of serious disputes) to order protective measures to halt a clearly illegal issue; the alleged issue in the present case is infringement of copyright.

The demand is, therefore, admissible and the judge for urgent matters has jurisdiction to hear the dispute.

On the merits

It should be determined whether the broadcasting authorization provided to the Plurimédia company was given by the copyright holders; indeed, it seems apportionable in current legal doctrine that a broadcast on the Internet is a mode of reproduction subject to authorizations in compliance with the financial rights of the authors.

It is also indisputable that a journalist holding the literary and artistic property right pursuant to the Law of March 11, 1957, amended by the Law of July 3, 1985. The copyright is recalled by Articles 9 of the collective journalist agreement dated October 27, 1987, and by the audiovisual collective agreement.

Concerning the DNA [newspaper]:

The newspaper is a collective work in which individual contributions of various journalists are melded; the journalist, in exchange for his whole salary, transfers his copyrights to the news company within the framework of a labor contract.

With regard to the provisions of Article 113-5 of the CPI, the collective work is the property of the individual or legal entity on behalf of which it is distributed.

Accordingly, the DNA [newspaper] is supposedly owner of the copyright.

However, a journalist limits the transfer of his copyright to the initial publication [of his work], and doctrine deems that reproduction of the work a professional journalist in another periodical is subject to authorization (cf.

Article 761-9 subsection 2 of the Labor Code, and L. 131-3 of the CPI).

The collective journalist agreement restates in its Article 7 this provision that "the right to publish articles or literary or artistic works (of which the individuals indicated in Article L. 761-2 are the authors) in more than one journal or periodical, must be authorized by an explicit agreement that should indicate the conditions under which reproduction will be authorized".

These provisions apply to the reproduction of articles on the Internet. Communication over the network presents a technological specificity. The product is not the same as that of the newspaper; this involves a new means of communication.

Moreover, journalists cannot transfer this right in a form not anticipated in Article L. 131-6 of the CPI as of the contract date, unless they have explicitly agreed upon a rate of share in any profits. This is not valid in the present case since the modality of this clause is precisely the object of negotiations between the journalists and the DNA.

The overall transfer of future works is null and void.

Copyrights must be protected on digital networks.

Accordingly, with regard to the combined provisions of Articles L. 761-9 of the Labor Law, and 7 of the collective journalist agreement, reproduction of articles (already published in the DNA) on the Internet is subject to the authorization of the authors, i.e. the journalists.

Concerning FR 3:

The audiovisual work is a work of collaboration protected by the law of March 27 (cf. L. 113-7 of the CPI).

The work of collaboration is owned jointly by the coauthors.

An audiovisual journalist is bound by his work contract and he has transferred his rights (Article 7-4-2 of the collective agreement).

However, the audiovisual collective agreement in its Article 7, and Article L. 761-9 of the Labor Code, stipulates that an explicit agreement is necessary for a new method of distribution.

But, applying the reasoning developed hereinabove, it appears that when entering into labor contracts, journalists, parties to the proceeding, could not have transferred their rights to broadcast on Internet server, which began emitting broadcasts no earlier than the date of the contract, i.e. November 7, 1997.

They could not assign rights over work under a form not foreseeable and not provided as of the date of the contract.

Accordingly, for lack of explicit agreement, the transfer of broadcasts already distributed is illegal.

The company called Plurimédia should have verified that its co-contractors, the DNA [newspaper] and FR 3, were copyright holders for new reproduction. It infringed on the financial rights of the journalists. Hence, there is a clear illegal issue.

The company called Plurimédia is, therefore, prohibited from distributing the DNA newspaper and the FR 3 broadcasts on the Internet until an explicit agreement has been reached between the authors and the DNA newspaper and/or FR 3.

The demands concerning communication of the operating book involve a demand based on the lawsuit of infringement that is of the jurisdiction of the trial court.

The demand for publication of the ruling does not appear appropriate in the present case.

THE RULING

Based on these grounds,

Ruling in the presence of both parties, in the first instance,

We formally notify the plaintiffs to commit themselves to sue Plurimédia in substance within fifteen days of the ordinance;

We hereby prohibit distribution of the DNA journal and broadcasts of FR 3 on the Internet by Plurimédia, subject to a daily payment penalty of 5,000 FRF, until an agreement has been reached between the journalists and the publishing company of the DNA journal and FR 3.

We dismiss any other demand of the plaintiffs;

We order the defendants to pay all costs and expenses of the proceeding;

We order the defendants to pay each plaintiff 1,200 FRF pursuant to Article 700;

This order is enforceable by provision of full law.

The court: Mr. Rivet (Presiding Judge)

Attorneys: Mr. Hassler – Mr. Alexandre – Mr. Solal

Brief(April)

Brief(September)

An agreement between the DNA newspaper and journalists. April 18, 1998

Last April 9th, the management of the daily newspaper, *Dernières Nouvelles d'Alsace*, and the labor union of journalists entered into an agreement regarding the transfer of copyrights concerning the distribution of newspaper articles on the Internet. The journalists will receive 10% of the net profit earned by the free distribution of their articles, with a guaranteed minimum of 200 FRF per year. In the event that access is paid for, compensation will increase to 8% of the gross commercial sales. In exchange, the signatories waive the legal proceedings initiated three months ago.

Text of the order of February 3, 1998

The "Le Figaro" case: Towards an industry-wide agreement. April 18, 1998

The assistant presiding judge of the departmental court of Paris has just invited the employer union of Parisian newspapers to negotiate an industry-wide agreement with labor unions of journalists concerning the copyrights of articles already published and subsequently distributed on the Internet. This order intervenes within the

framework of the referred lawsuit against *Le Figaro* newspaper by the National Journalist Labor Union due to the refusal of the newspaper to negotiate with the journalists. The newspaper considers itself the sole copyright holder on the collective work.

The year 2000: Microsoft admits problems. April 16, 1998

Certain Microsoft products do not pass the Y2K test. This is what the world leader in microcomputer software admits on its Web sites devoted to the Y2K problem. To find out whether your Microsoft software confuses 2000 and 1900, visit the site http://www.microsoft.com/year2000/.

Copyright: Lawsuit against Corel rejected. April 16, 1998

MicroGrafx's complaint against Corel for the incorporation of its "American Greetings CreataCard" software in "Print House Magic" was rejected by the US federal court. MicroGrafx declared that it would appeal this ruling.

Internet and fraud: Virtual corporate shares? April 14, 1998

A 34-year-old California man was arrested for having defrauded approximately 150 investors. Seeking to sell shares of his company on the Internet, the businessman allegedly obtained US $190,000 from these investors, which he reportedly spent on private needs.

Domain name: Illegal fee collection. April 14, 1998

A US federal judge has just declared that the governmental fund of US $50 million collected by NSI through the reservation of domain names, constitutes an illegal fee to the extent that it has not been approved by Congress.

Brand name law: Battle over Alta Vista. April 14, 1998

Digital Equipment is being sued by a British company, Alta Vista Corporation, for illegal use of the brand name "Alta Vista" with its Internet search engine. [The brand name was previously] filed by the latter. For its part, Digital Equipment has also filed suit against another US company, Alta Vista Technology, for illegal use of the same brand name.

Domain name: A group of artists defends itself. April 14, 1998

A group of 24 country music artists has filed a suit against a California businessman who allegedly reserved the name of the group as a domain name on the Internet, in order to redirect browsers to a pornographic site. The group accuses him of illegal use of a trade name, unfair competition and violation of image rights.

Stalking on the Internet: Sixty child molesters arrested. April 3, 1998

A special police unit in New Hampshire, U.S., arrested sixty Scandinavian child molesters dealing on the Internet. The policemen used the Internet to lure them to

American soil. Thus to arraign a child molester residing in Sweden, a policeman passed for an adolescent and set up a meeting in New Hampshire where he was able to be apprehended.

Questioning for illegal betting on the Internet. April 3, 1998

The top US federal inquiry organization for illegal betting on the Internet has just allowed the examination of six individuals. Whereas the sites were for the most part located in Curaçao, Antigua, in Costa Rica and in the Dominican Republic, one of these companies involved had an office in New York and majority of its bettors were American. They offered bets on basketball or hockey results, pocketing 10% of the amounts received and sending the profits by mail. Those indicted risk a maximum penalty of five years in prison and a US$ 250,000 dollars fine.

On-line drug formula causes two young people to fall into a coma. April 3, 1998

Two young Americans fell into a coma after having ingested a drug, GHB, that they had made themselves, based on a formula found on the Internet, where they had also been able to get the ingredients for this drug. The drug is know to induce euphoria, but can prove to be very dangerous when doses are miscalculated.

Translation from French

Court of Appeals of Colmar

Ruling issued on September 15, 1998

FR 3 and D.N.A. vs. the journalists' trade unions

In a ruling issued on April 28, 1998, to which reference is specifically made with regard to the history of the litigation, the proceedings, and the evidence and arguments presented by the parties, the Court of Appeals in the above-mentioned jurisdiction has ordered that the case be reopened; has invited the parties to submit the agreements that were entered into, as mentioned during the course of the said proceedings; and to specify the conditions under which broadcasts made by FRANCE 2 were distributed over the Internet, and whether copyright agreements had been signed with the journalists.

In pleadings dated June 17, 1998, the company known as SDV PLURIMEDIA stated that a collective business agreement had been signed on April 9, 1998 between D.N.A., party of the first part, and the SILAC, CFDT, CNJ, and Force Ouvrière [*Working Power*] unions, with the countersignatures of Mrs. C-W., Mrs. K., Mr. K., and Mr. F.; that a settlement affidavit was signed on May 5, 1998 by SDV PLURIMEDIA, the S.N.J., the USJF-CFDT, Mrs. C-W., Mrs. K., Mr. K., and Mr. F.; and that the latter parties had decided to waive their pursuit of the withdrawal of the newspaper known as "Les D.N.A." and the broadcasts of FRANCE 3 from Internet sites, but that this was not the case for Mr. C. and Mr. T., whose claims were not properly founded.

The company asked the court to acknowledge the company's previous written arguments; to confirm all the provisions of the ruling; and to find that there are no grounds for referral of the matter.

In pleadings dated June 10, 1998, the national television company, FRANCE 3, stated that as of January 31, 1996, FRANCE 2 had been broadcasting various programs on the Internet, without the signing of any specific agreements with the journalists, and asked the court to grant to it the full benefit of its previous written arguments.

In pleadings dated June 22, 1998, the S.N.J., Mr. C, and Mr. T stated:

- That there is no longer any litigation between the respondents and PLURIMEDIA, and that the D.N.A. journalists (who are natural persons) and the unions have withdrawn from the suit and from the action, for the duration of the agreement that was entered into, pursuant to the provisions of a draft settlement agreement;
- That the suit subsists, in its entirety, with regard to FRANCE 3 television;
- That the status of the journalists as the authors of newspaper articles is undeniable, and the characterization of collective work, as stated by the Court of Cassation, does not in any way prevent the rights from being assigned by the journalists to their employer, inasmuch as the newspaper is the *ab initio* owner of the rights only for the first publication, and that any and all other publication requires an assignment of rights;
- That for audiovisual works, the creations are protected by copyright only if they reflect the imprint and personality of the creator; but that when they consist

of reports of information, the choices of framing and the preparation of text indisputably indicate that the said works are in fact covered by copyright;

- That the collective bargaining agreement acknowledges the status of journalists as authors, as does the audiovisual rider, which also provides for the assignment of copyright by journalists to their employer; and

- That the presumption of assignment to the benefit of the producer exists only when the authors have been compensated, which is not the case in the present matter.

In an undated memorandum of withdrawal submitted to the Court on the day of the hearing, Mrs. C-W., Mrs. K., Mr. F., and Mr. K. withdrew entirely from the proceedings and from the suit for a period of one year after the date of the agreement, and the S.N.J. withdrew from the proceedings and from the suit in connection with the claim relating to the publication of the D.N.A. newspaper, for the same period.

In view of the file in the proceedings, the evidence properly placed in the file, and the briefs submitted by the parties, to which the Court makes reference with regard to a broader statement of their arguments:

1) *REGARDING THE ADMISSIBILITY OF THE APPEAL:*

Whereas the appeal, as filed in the manner and within the time period prescribed by law, is admissible as to form;

2) *REGARDING THE ADMISSIBILITY OF THE VOLUNTARY PARTICIPATION BY FRANCE 3:*

Whereas, pursuant to the provisions of Article 554 of the New Code of Civil Procedure, persons who were not parties to, or represented in, the initial proceedings, or who were parties to the said initial proceedings in another capacity, may be a party to appeals proceedings if they have an interest in the said proceedings;

Whereas FRANCE 3, which signed a contract with SDV PLURIMEDIA; whose right to make use of the broadcasts entitled "Rund Um" and "Journal Tout Images" has been challenged; and which has indirectly been ordered to initiate negotiations with the trade unions, has a certain interest in participating in the appeals proceedings in order to submit arguments on its own behalf, inasmuch as it claims to be the owner of the copyright and therefore to be entitled to assign the rights held by it;

Whereas the said participation is admissible as to form;

3) *REGARDING THE ADMISSIBILITY OF THE CLAIM*:

Whereas the admissibility of the action by the journalists' unions, as based on the provisions of Article L. 411-11 of the Labor Law, has not been challenged in connection with the appeals proceedings;

Whereas only the admissibility of the claims formulated by the trade unions and by the two FR3 journalists against FRANCE 3 has been discussed, on the grounds, on the one hand, that an audiovisual work is a work of collaboration, and that all of the co-authors of the work should be involved, and, on the other hand, that the plaintiff journalists have not established their status as authors;

Whereas the plaintiffs do not seek the collection of copyright fees, but rather have requested that the judge presiding over the special hearing issue a temporary order for the purpose of halting a manifestly illegal violation of rights or preventing imminent harm;

Whereas the journalists' unions and the plaintiff journalists, whose position as employees of FRANCE 3 has not been challenged, have the necessary standing for, and an interest in, claiming the existence of an illegal violation of rights or imminent harm that could damage the interests of the profession as a whole or of certain journalists individually, despite the fact that the present legal action does not affect all of the journalists associated with the broadcasts in question;

Whereas, in their capacity as journalists at FR3, Mr. C. and Mr. T. also have the necessary standing to take action, based on their view that their employment contract and the audiovisual collective bargaining agreement do not entail the assignment of exploitation rights to FRANCE 3, and that the draft experimental agreement entered into with SVD *[sic]* PLURIMEDIA was subject to extension to cover other broadcasts;

1) Regarding the reproduction of the D.N.A. newspaper on the Internet:

Whereas it should be noted that the journalists' trade union CFDT, the S.N.J, Mrs. C-W., Mrs. K., Mr. F., and Mr. K., who are journalists at the D.N.A. had sued the PLURIMEDIA company in the commercial division of the Court of First Instance of Strasbourg in order to obtain an injunction against the broadcast by PLURIMEDIA of the

D.N.A. newspaper on the Internet, inasmuch as an agreement had not been entered into between the unions and the company that publishes the D.N.A. newspaper;

Whereas an agreement was signed on April 9, 1998 for a period of one year between Les Edition les D.N.A., party of the first part, and the CFDT trade union, the S.N.J, and FO [*Force Ouvrière*], party of the second part, regarding the assignment of the journalists' copyright for the electronic or computer-based distribution of the newspaper;

Whereas the said agreement specifies that the parties agreed to resolve the disagreement between them and to withdraw from the proceedings that had been undertaken prior to the said date;

Whereas they indicate, in Article 9, that:

- Regardless of the contents of the ruling issued by the Court of Appeals of Colmar in the hearings proceedings currently pending before it regarding the appeal by SDV PLURIMEDIA and FRANCE 3, scheduled for April 28, 1998, the signatories expressly undertake to withdraw from the said proceedings and to discontinue them;

- The original proceedings, as undertaken before the Court of First Instance of Strasbourg, pursuant to a summons dated February 17, 1998, shall be terminated, pursuant to the withdrawal of the plaintiffs from the proceedings and from the suit;

- The signatory trade unions expressly declare their acceptance of the provisions of the present Article 9, in their own name and also in the name and on behalf of Mrs. C-W., Mrs. K., Mr. F., and Mr. K., who are likewise parties to the above-mentioned proceedings, in which they have an interest;

– Likewise, the D.N.A. company expressly declares its acceptance of the provisions of the present Article 9, in its own name and also in the name and on behalf of SDV PLURIMEDIA, in which it has an interest;

Whereas, furthermore, a settlement agreement was signed on May 5, 1998 by and between the plaintiff trade unions and the D.N.A. journalists, on the one hand, and SDV PLURIMEDIA, on the other hand, which stated: "due to the agreement entered into between D.N.A. and the D.N.A. journalists, and the S.N.J. and USJ CFDT trade unions, the litigation between the above-mentioned trade unions and journalists, on the one hand, and SDV PLURIMEDIA, on the other hand, regarding the on-line broadcasting of D.N.A., is hereby terminated.

The parties are aware of the terms of the agreement and shall apply the said terms in all areas affecting them";

Whereas the plaintiffs and the respondent parties have declared their intention to withdraw from the suit and from the proceedings for a period of one year after the agreement;

Whereas the claim no longer has a purpose, inasmuch as an agreement has been reached between the plaintiffs and the D.N.A., and inasmuch as the claim was subject specifically to the signing of such an agreement;

Whereas, furthermore, pursuant to the provisions of Article 384 of the N.C.P.C., the proceedings are subject to termination as a secondary outcome of the termination of the suit as a result of the settlement; the termination of the proceedings has been documented in a withdrawal decision; and the judges are responsible for giving executive force to the affidavit attesting to the agreement of the

parties, as entered into either before the judge or outside his presence;

Whereas the settlement agreement, as signed by the parties on May 5, 1998, with reference to the agreement dated April 9, 1998, constitutes an agreement that was entered into outside the presence of the judge;

Whereas, therefore, grounds do exist for confirming the termination of the proceedings and the withdrawal of the suit from the Court;

Whereas the costs of the appeal, as incurred by the parties, should be compensated;

2) Regarding the reproduction, on the Internet, by FRANCE 3, of the broadcasts known as "RUND UM" and the newspaper "TOUT IMAGES" ["All Pictures"]:

Whereas, within the context of the present proceedings, the Court is responsible for determining whether the reproduction, on the Internet, of the news magazine, published in the Alsatian dialect, known as "RUND UM", and of the summary of the newspaper "TOUT IMAGES" by SVD *[sic]* PLURIMEDIA constitutes, for the plaintiffs, a manifestly illegal violation of rights or entails the risk of causing imminent harm to them;

Whereas the present Court is not in the possession of any elements of fact that would allow it to determine whether the reproduced broadcasts constitute collective or collaborative works, and whereas the characterization of the said broadcasts lies solely within the competence of the judge in the original case;

Whereas the broadcasts in question were apparently properly produced by FR3, such that, pursuant to the provisions of Article L.132-24 of the Intellectual Property Code, the contract that binds the producer and the authors entails, absent any provisions to the contrary and without prejudice to the acknowledged rights of the author, the assignment, to the sole benefit of the producer, of the exclusive rights to exploitation of the audiovisual work;

Whereas, in the case at hand, absent any provisions contained in the employment contracts binding FRANCE 3 and the journalists, only the provisions of Article 7-4-2 of the audiovisual rider to the journalists' collective bargaining agreement address the assignment of their rights;

Whereas the said article provides that permanent journalists, or journalists covered by the provisions of Article 17-2, shall assign, exclusively and in their entirety, the rights necessary for the use of their services; whereas the business that employs them acquires, in particular, the right to the distribution, reproduction, and exploitation of the broadcasts produced with the participation of the journalists; whereas the employer has the right to assign the exploitation rights to third parties; whereas if the said exploitation takes place in exchange for compensation, and specifically with regard to exploitation in the form of cassettes or videocassettes, directly by the employer or through another company, the journalists shall receive additional compensation, which compensation shall be paid on the basis of 37.5% of the net sale prices received by the holders of the rights; whereas the procedures for distribution among the holders of the rights shall be the subject of specific agreements;

Whereas there can be no serious doubt that as of the date of the said rider (i.e., July 9, 1983), the assignment of rights could not address the reproduction of any broadcasts over the Internet, which at that time did not exist;

Whereas there was no express agreement stipulating any participatory interest relating to the earnings from exploitation for the assignment of the right to exploit the work in a form that was not provided, or that was not provided as of the date of the said rider, as required pursuant to the provisions of Article L.131-6 of the Intellectual Property Code;

Whereas it cannot seriously be argued that the reproduction of broadcasts televised over the Internet are included in the assignment of rights granted to FRANCE 3; although the same contents are effectively involved, the reproduction takes place via an electronic medium that does not have the same characteristics and that is not addressed to the television viewing audience in accordance with a pre-established schedule, but instead is made available to any owner of a computer, who may gain access to the broadcasts at any time and at any location on the planet, including, theoretically, prior to the release of the broadcast;

Whereas, although the collective bargaining agreement entered into by the journalists at the time in question did regulate the assignment of audiovisual works in the form of cassettes or videocassettes, which did not constitute customary means for the distribution of televised broadcasts, at the time in question the said agreement could not have foreseen distribution or reproduction over the Internet;

Whereas, however, the suit was filed not against FRANCE 3, but rather against SDV PLURIMEDIA;

Whereas if FRANCE 3 had not been able to declare to SDV PLURIMEDIA (as it did in the draft agreement signed with it), that it was indeed the owner of the intellectual property rights relating to the broadcasts, nevertheless, it does not appear that SDV PLURIMEDIA was guilty of a *manifestly* illegal violation of rights, inasmuch as, in the first place, the experimental agreement entered into for a period of 6 months was entered into free of charge; secondly, FRANCE 3 had affirmed that it was the owner of the copyrights and had obtained all of the legal and regulatory authorizations for their exploitation, reproduction, and commercial sale in compliance with the legislation in force; third, FRANCE 3, like FRANCE 2, had an operating site on the Internet, whose presence may have supported SDV PLURIMEDIA's belief in the accuracy of the said information; and, fourth, the assessment of the error that may have been committed by SDV PLURIMEDIA in lending its support to FRANCE 3 does not appear obvious, in the light of the foregoing factors and in the light of all of the legal issues raised by the emergence of the Internet and its use, and in any event lies within the competence of the judge in the original case, in the court in which the complaint was apparently filed;

Whereas, in the case at hand, no imminent harm is present, inasmuch as the conditions of the reproduction by SDV PLURIMEDIA are clearly known; inasmuch as the instances of access to the [Internet] site can be determined; and inasmuch as the plaintiffs are capable of obtaining reparations before the judge in the original

case, provided that the plaintiffs can demonstrate damage and their status as authors;

Whereas, in the absence of any *manifestly* illegal violation of rights, and in the absence of any imminent harm, there are no grounds for issuing an injunction against reproduction by SDV PLURIMEDIA, in view of the further facts that FRANCE 3 has terminated the experiment, and that the contract expired during the month of May;

Whereas the ruling referred to the Court should therefore be negated; and

Whereas the expenses associated with the initial suit and with the appeal should properly be combined and paid in equal portions by both of the parties, except for the expenses associated with the participation of FRANCE 3 in the appeals proceedings, which expenses shall be paid by FRANCE 3;

NOW, THEREFORE,

The Court,

ruling as the court of last resort, in a public hearing, after having heard the arguments by both parties, and after having deliberated the said arguments in the manner prescribed by law, hereby:

DECLARES that the appeal is admissible as to form;

DECLARES that the voluntary participation of FRANCE 3 is admissible;

CONFIRMS that an agreement was entered into by and between the French Journalists' Trade Union, CFDT, the journalists' collective trade union, Mrs. C-W., Mrs. K., Mr.

F., and Mr. K., with regard to the claim filed by them between *[sic]* SDV PLURIMEDIA;

CONFIRMS the dismissal of the suit based on the said claim, and the non-jurisdiction of the present Court;

NULLIFIES the ruling as issued, with regard to its decision regarding the claim by the CFDT and S.N.J. trade unions and by Mr. C. and Mr. T. against SDV PLURIMEDIA regarding the reproduction of FRANCE 3 broadcasts over the Internet; and,

Ruling once again in the said matter,

STATES that no grounds exist for the referral;

COMBINES the expenses associated with the original suit and the appeal, except for the expenses associated with FRANCE 3, which expenses shall be paid by FRANCE 3, and states that the said combined expenses shall be paid by both of the parties; and

REJECTS the claim for procedural indemnification.

The present ruling was signed by the President and by the Clerk, who were present at its issuance.

Done in Colmar, on September 15, 1998.

The Court:

Mr. Guedet, President of the Chamber

Mrs. Bertrand, Counselor

Mrs. Maillard, Counselor

Mrs. Schirmann, Clerk

Attorneys:

Mr. Cahn

Mr. Levy

Mr. Bergmann

Mr. Cahn

AGREEMENT

between

"Editions des Derniéres Nouvelles de l'Alsace SA", represented by its general secretary Mr Olivier Metzger,

and

SILAC-CFDT, represented by Mrs Marie Brassart-Goerg, trade union delegate, the SNJ, represented by Mrs Marie-Sophie Kormann and Mr Pierre Sejournet, trade union delegates, and the FO represented by Mr Jean-Pierre Talon, trade union delegate.

Preamble

Whereas the signatories of this agreement agree that the future development of the daily newspaper Les Derniéres Nouvelles d'Alsace (hereafter referred to as DNA) will in particular involve its publication "on-line."

Whereas, in addition to the newspaper thus published electronically, the production of special reports and creation of new information services using the same medium will be jointly examined by the DNA management and those journalist trade unions which are signatories to this agreement,

The following has been agreed:

1. Scope of the agreement

The agreement will apply to all professional wage-earning journalists, paid on a monthly or piecework basis, who contribute articles, texts, illustrations, computer graphics or photographs to the production of the

daily newspaper Les Derniéres Nouvelles d'Alsace and the associated periodical publiciations (economic supplement, etc.).

2. Purpose of the agreement and the products concerned

The agreement concerns the transfer of copyright from the persons mentoined in Article 1 for the electronic distribution of the newspaper, its archives and any products designed using this technology, in exchange for payment according to the terms set out below.

This transfer applies to an initial publication in the online version of DNA. Any other dissemination using any other publication or support will require the further authorization of the authors concerns.

Each time an author transfers the copyright he nevertheless retains the moral rights to his work.

The front page of the DNA site must state "all rights of reproduction reserved".

Electronic versions of DNA

The following products fall into this category:

the paper version of the newspaper reproduced on line, including its local editions;

the special promotions and current affairs dossiers created using the newspaper's contents.

Collective services and derived products

archives available on line;

collective derived products using journliasts' texts.

3. Profit distribution basis

For on-line DNA products that are paid for on a per-consultation basis, profit distribution will be calculated on the basis of 8% of the gross income from sales, inclusive of all taxes.

For freely available on-line DNA products, profit distribution will be calculated on the basis of 10% of the net margin generated by this activity. A fixed annual minimum sum of FFR 200 will be paid to any permanent salaried journalist with more than one year's seniority.

4. Distribution method

The distribution method will be collective and will not be dependent on hierarchy.

Journalists and professional pieceworkers must have worked for at least three months or have produced at least three items of piecework in the course of the previous calendar year.

The distributoin will be performed out of two budgets, one for salaried employees on open-ended contracts at the date of distributoin, and one for all other beneficiaries. Each of these budgets will be proportional to the size of the workforce represented by the category (staff on open-ended contracts and other members of the personnel). For professional pieceworkers the distribution will be done on a pro rata basis of salaried staff / total number of pieceworkers.

The monies due to each journalist will be paid in the form of a profit sharing scheme on the 30 June following the financial year in question.

5. Development of DNA on-line

The parties recognise that professional journalists will be needed to create the content, prioritize news, split articles up into different sections and validate the content of the screens.

At least one Internet access point will be installed by 1 January 2000 in each of the DNA editorial offices and in each branch office.

6. Monitoring the application of the agreement

A commission made up of two representatives from each of the signatory trade union organizations and representatives of management will meet twice a year to monitor the way in which the agreement is being applied.

The commission will have a special report drawn up by the company auditors that deals with the financial implicatoins of the newpaper's specific on-line activity.

7. Duration of the agreement

This agreement will be valid for a period of one year from the date it is signed.

The parties are agreed that they will meet three months before it expires to examine what follow-up steps should be taken, especially with regard to changes in the different ways in which the newspaper is published.

8. Dissemination of the agreement

The DNA management agrees to give a copy of this agreement to each salaried or piecework journalist working for the company.

9. Legal action under way

The parties hereby agree to call off the dispute that exists between them and to abandon the legal action currently under way.

Consequently:

Irrespective of the decision due to be handed down on 28 April 1998 by the Colmar Court of Appeal with regard to the case currently before it concerning the appeal by the companies SDV Plurimedia and France 3, the signatories expressly undertake not to take furhter action in this regard and not to implement the terms of the order.

The proceedings on the merits of the case brought before the Strasbourg regional court on 17 February 1998 will be withdrawn by the defendant.

The signatories expressly state that they agree with the provisions of this Article 9 both on their own behalf and on behalf of Mrs Cohu-Weill, Mrs Knieriemen, Mr Frey and Mr Kuhn, other parties in the actions and whom they legally represent.

By the same token, the company DNA expressly states that it agrees with the provisions of this Article 9 both on its own behalf and on behalf of and for the account of Plurimedia SdV, a company which it legally represents.

In view of the spirit governing the present commitments, and to settle days of stand-by duty, the company DNA will ensure that SDV Plurimedia pays the SNJ and UJSF-CFDT unions and Mrs Cohu-Weill, Mrs Knieriemen, Mr Frey and Mr Kuhna a lump-sum payment of FFR 16,000 (FFR 96,000 in total).

10. Legal deposition

The text of this agreement will be deposited with the Bas-Rhin Departmental Directorate of Labour and Employment and with the secretariat-clerk's office of the Strasbourg Industrial Tribunal in accordance with Article L132.10 of the French Labour Code.

It will take effect on

Done at Strasbourg on 9 April 1998

For DNA_For SILAC-CFDT

___Olivier Metzger_Marie Brassart-Goerg___For FO_For SNJ

___Jean-Pierre Talon_P. Sejournet, M. Sophie Kormann ___R. Kuhn_V. Cohu-Weill

___E. Knieriemen_J. Claude Frey___

This is a translation. In the event of a dispute only the French original shall have force of law

Translation from German

Jur Internet Journal for Legal Information

Publisher: Professor
Dr. Maximilian Herberger E-mail to the editors

Hanseatic Superior District Court of Hamburg

Basic Ruling and Partial Ruling of May 11, 1998 (3 U 212/97)

Rights to Use Photographs

JurPC Web doc. 193/1998, paragraphs 1 – 71

§§ 97, paragraph 1; 17, paragraph 1; 2, paragraph 1, no. 5, 72; 37, paragraph 2; 31, paragraph 4; 31, paragraph 5; 53, paragraph 2, no. 2 Urh G [(German) Copyright Act]; 43 VerlagsG [(German) Publishing Act]; 242 BGB [(German) Civil Code]

Preface (by the editors)

The rights to use photographs granted to a publisher for publication of photos in a magazine or journal do not entitle the publisher to later transfer the photographs to CD-ROM and distribute them in that form. Publication in a CD-ROM must be regarded as a utilization to be evaluated as an independent type of use in this regard.

Statement of facts

JurPC Web-doc. 193/1998, Paragraph 1

The parties are in dispute regarding the issue of whether the defendant was entitled on the basis of the agreements with the originators of the photograph to distribute the photographs first published in the news magazine

S . . . in the years 1989 – 1993 in the CD-ROM annual editions produced for the corresponding years.

Paragraph 2

The plaintiff is an association established in 1995. Of the approximately 900 members of the association, all of whom are professional photographers, the 70 photographers listed in Exhibits K 1 and K 2 have transferred to the plaintiff all claims "against the defendant for unapproved use of reproductions on the publisher's CD-ROMs for the years 1989 through 1993."

Paragraph 3

In addition to the normal print publication, the defendant has been offering S . . . on microfiche since the beginning of the '80s. Since April/May 1993, the defendant has also been offering the annual editions on CD-ROM. In addition to S . . . , the *Frankfurt Allgemeine Zeitung* [Frankfurt General News] has also been available on CD-ROM. Prior to that, only technical journals were available on the market as full-text CD-ROM editions. The CD-ROM version was announced to the public in the no. 17/1993 edition of S. . . . To do so, the editions of S . . . were digitized, though without advertizing. The photographers were neither informed of this nor was their permission sought.

Paragraph 4

It is technically impractical to subsequently remove individual photographs from the CD-ROMs. The only way to cease and desist from further distribution of the photographs in question is to stop distributing the CD-ROM versions in question. However, the photographs could be

removed if there is a new edition of the CD-ROM version for the years in question, although at the present time there are no plans for such a new edition.

Paragraph 5

The plaintiff has claimed that on the basis of telephone orders, a total of 70 assignors published a total of 7,685 photographs in S . . . in the years 1989 through 1993, and that these photographs subsequently also appeared in the annual CD-ROMs. As a secondary suit, the plaintiff is claiming compensation for 702 infringements and is also demanding a cease and desist order.

Paragraph 6

According to the plaintiff, there has not been any explicit or implicit agreement regarding the use of the photographs on CD-ROMs. The agreements were made by telephone. At the time the agreements were concluded between the individual photographers and the defendant, there was no mention of CD-ROM use (according to the plaintiff); according to the defendant's own statements, the defendant did not inform the public of the existence of the CD-ROM version of S . . . until the second quarter of 1993. Some photographers were the first to become aware of this in December 1993, but most did not learn of the five CD-ROMs of S . . . until 1995. Since 1994, the defendant has been paying a 10% surcharge for the use of the CD-ROM, which is also paid by the magazine S . . . A supplementary royalty is conventional in this branch of the industry. The Small Business Association of Photomarketing also considers this surcharge to be appropriate.

Paragraph 7

The plaintiff is of the opinion that it is not necessary to specify in detail on which specific infringement cases the injunction claim is based, because the only way to no longer violate these rights would be to cease and desist from distributing the finished CD-ROMs. The plaintiff also believes that this is a new type of use, so that the consent of the photographers would be needed for use in the CD-ROMs. With regard to the claim for damage compensation, a 10% surcharge on the minimum royalty of DM 200 per photograph may be assumed. In addition, a 50% infringement surcharge is justified. The latter should compensate for the infringement upon the moral rights of the photographer due to the unapproved use.

Paragraph 8

After conclusion of the oral hearing before the district court, the plaintiff presented in briefs of July 31, 1997 the concrete publication of 702 + 19 photographs on five CD-ROMs (Exhibit K 3), where the claim for payment is to be based on the 702 infringement cases cited.

Paragraph 9

The plaintiff has petitioned the court to

1. order the defendant to pay the plaintiff DM 21,060 plus 4% interest as of the filing of the lawsuit;

2. order the defendant to cease and desist from distributing or causing to be distributed the five CD-ROMs "S . . . " for the years 1989 through 1993 using the 7,685 photographs by the photographers listed in Exhibit K 1, said photographs

> having been published in the original print medium,

as an expedient

> to order the defendant to cease and desist from distributing or causing to be distributed photographs by the photographers listed by name in Exhibit K 2 on CD-ROM (S . . . , years 1989 through 1993).

Paragraph 10

The defendant has petitioned the court

> to reject the lawsuit.

Paragraph 11

The defendant has claimed that the plaintiff lacks the necessary active legitimation. Exhibits K 1 and K 2, which have been presented for this purpose, are contradictory (according to the defendant).

The defendant has disputed the fact that the photographs of the photographers cited were printed in the S . . . volumes 1989 through 1993 (see Exhibit B 12 in this regard), such as photographer D. B. or J. G. Furthermore, fewer photographs than claimed by the plaintiff were printed in some cases, such as S. D. Furthermore, a definitive attribution of photographs to photographers is impossible for the defendant because its photographic archives are organized according to topics rather than the names of the photographs and agencies. Inasmuch as the agencies have settled with the defendant, the defendant has disputed with ignorance the ownership of the rights of the photographers according to Exhibit K 2 (see Exhibit B 12).

The defendant has claimed that by 1989 at the latest, more and more publishing companies had begun to publish magazines and journals in full text on CD-ROMs, so this was customary throughout the branch.

The defendant has claimed that during the period of time in question, the royalty per photograph was usually only DM 150 to DM 180. The defendant disputes the claim that a 10% surcharge is customary for CD-ROM use and states instead that the 10% increase in 1994 was just a general increase. The CD-ROM version of S . . . and the corresponding remuneration cannot be used for comparison because that case involved only individual articles that were included in an expanded form created specifically for the medium and thus had been altered as to content.

Paragraph 12

The defendant has raised the objection that the right has expired. Individual photographers, who were not specified by name, already knew of the announcement of the CD-ROM version in May 1993, in journal no. 17/1993 of S . . . and were subsequently in contact with the defendant.

Paragraph 13

The defendant is of the opinion that the plaintiff must show concrete infringement actions (sic)[1] for the cease and desist order as well as the damage compensation claim. The defendant claims to rely on the [German]

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[1] *Translator's note: The "sic" is in the original German text, because "Verletzungsverhandlungen" [infringement negotiations] is an apparent typographical error for "Verletzungshandlungen" [infringement actions, as translated here]; see also para. 27.*

Publishing Act (VerlagsG). Furthermore, the CD-ROM is merely a modern form of the reprint and is not a new, autonomous form of use. Therefore, there is no need (according to the defendant) to concede additional rights. As an expedient, the defendant would rely on § 101 of the [German] Copyright Act (UrhG), because the defendant is not at fault. Likewise as an expedient, the defendant has claimed that the photographers are obligated to grant the use right in good faith. There is no legal basis for an infringement surcharge of 50% in damage compensation. No cease and desist order can be issued in addition to the license fee, which is already being claimed as part of the damages.

Paragraph 14

The district court rejected the lawsuit with the ruling of August 19, 1997 with the argument that the use was known in 1989 so that it is irrelevant whether this is an independent type of use in the sense of § 31 of the [German] Copyright Act (UrhG), because an interpretation of the agreements concluded orally or implicitly yields the conclusion that the use was also permitted with respect to the CD-ROM version; the CD-ROM version is only a substitute for the previous types of use, such as microfiche and annual editions. There remains no room for application of the doctrine of the transfer of purpose according to § 31, paragraph 5 of the [German] Copyright Act (UrhG).

Paragraph 15

The plaintiff has appealed this ruling, issued on September 10, 1997, with an appeal that was filed within the proper period of time and supported with grounds.

Paragraph 16

The plaintiff now also claims, in repeating and supplementing its arguments in the first instance, that the defendant was not technically capable of producing the CD-ROMs in 1988 or in the following years, until 1992/93. The plaintiff disputes the allegation that all editor's contributions were included in full.

Paragraph 17

The plaintiff alleges, repeating earlier arguments in part, adding new ones in part, that the CD-ROM differs from the annual edition and microfiche in that it hardly takes up any space at all in comparison with the print edition; that in comparison with microfiche, it does not require an expensive reader; and in comparison with both, it permits a rapid and simplified search and printout of photographs, it does not wear out, and its data can easily be sent out over data networks such as the Internet.

Paragraph 18

The plaintiff corrected its statements with regard to the infringement cases to the extent that of the 702 photographs cited, only 690 fell in the years 1989 through 1993. On the other hand, of the 19 photographs already cited in the briefs of July 31, 1997, an additional 17 photographs were used to support the petition for payment. In addition, a review of the infringement cases has shown that not all of the 70 assignors according to Exhibit K 2 published photographs in the years in question. The plaintiff is thus basing the petition for a cease and desist order on the transfer of rights of the 64 photographers listed in the operative provisions of the ruling, where these transfers

are also to be understood as authorization to pursue this matter through lawsuit.

Paragraph 19

The plaintiff does not believe its claims have expired because the CD-ROM is still being distributed. Furthermore, the burden of proof falls on the defendant with regard to the knowledge of the assignors of the copyright infringement.

Paragraph 20

The plaintiff has petitioned the court

> to revise the ruling of the Hamburg District Court and
>
> 1. to order the defendant to pay the plaintiff DM 21,210 plus 4% interest on DM 21,060 as of November 29, 1996 and on DM 21,210 as of June 16, 1998;
>
> 2. to order the defendant to cease and desist from distributing or causing to be distributed the five CD-ROMs "S . . . " of the years 1989 through 1993 using the 7,685 photographs printed in the original print medium, said photographs having been made by the photographers listed in Exhibit K 1;
>
> as an expedient,
>
> to order the defendant to cease and desist from distributing or causing to be distributed the photographs by the photographers listed by name in Exhibit K 2 (except for D. A., T. B., S. C., K. H. U. R., K. S., G. S., M. S., M. S.) on CD-ROM (S . . . for the years 1989 through 1993).

Paragraph 21

The defendant has petitioned the court

to reject the appeal and the extension of the claim.

Paragraph 22

Repeating and expanding its arguments in the first instance, the defendant has reinforced its standpoint that the CD-ROM is only a substitution product for the microfiche edition or the annual editions; the microfiche could also be printed out and is also a space-saving version. Inclusion of the 707 photographs used by the plaintiff for the damage compensation claim in the disputed annual CD-ROMs is not disputed by the defendant. Inasmuch as the plaintiff has presented the publication of photographs by the photographers represented in Exhibit K 2, naming the appropriate volume, the defendant no longer disputes this.

Paragraph 23

To complete the facts of the case, reference is also made to the written arguments by the parties.

Grounds of the decision

Paragraph 24

The plaintiff's appeal is satisfactory from the standpoint of procedural law and has been largely successful in the case. The petition for a cease and desist order is founded in the version filed as an expedient, but the ruling has not yet made a decision with regard to the amount of the

requested payment; to this extent, an interlocutory judgment has been issued regarding the grounds (§ 304, paragraph 1 of the Code of Civil Procedure (ZPO)).

Paragraph 25

I. The lawsuit was justifiably rejected with regard to the main petition for a cease and desist order. There is no cease and desist order with respect to distributing or causing to be distributed the five "S . . . " CD-ROMs for the years 1989 through 1993 using the 7,685 photographs printed in the original print medium, said photographs having been made by the photographers listed in Exhibit K 1. The plaintiff has not argued to satisfaction that there were in fact 7,685 photographs. In the course of this legal dispute, there have been numerous corrections in the information regarding the number of photographs published, so the number of 7,685 specified in the lawsuit may not be correct. If this number were used in the operative provisions of the ruling, it could lead to doubts regarding the scope of the cease and desist order.

Paragraph 26

II. On the other hand, the petition for a cease and desist order that has been requested as an expedient is admissible and well-founded.

Paragraph 27

1. The plaintiff's petition formulated in this way is admissible. It is sufficiently specific, although it requires some interpretation. In the case of an infringement action that has already occurred, the petition for a cease and desist order must be based essentially on the specific infringement action (Schricker, Wild, [German] Copyright

Act, § 97, marginal no. 98 ff.). However, the reference to the specific infringement action of distributing or causing to be distributed the CD-ROMs of "S . . . " for the years 1989 through 1993 with photographs made by the photographers listed in Exhibit K 2 is sufficiently specific. It is not always possible to prevent interpretations from being shifted to the enforcement level to a slight extent (see Teplitzky, Wettbewerbsrechtliche Ansprüche [Claims Based on the Rules of Competition], 7th edition, 1997, chapter 11, marginal no. 8). In its ruling of January 16, 1997 (GRUR [Protection of Industrial Property and Copyright Protection] 1997, 459, 460 – "CB Infobank I"), the Federal Court of Justice has made the following statement in a similar connection:

Paragraph 28

"The Court of Appeals has correctly assumed that the defendant's action to which objection has been raised is sufficiently specific. The defendant is to be prohibited from reproducing and distributing parts of the printed works or individual contributions from the plaintiff's publications as specified. These parts of the printed works and the individual contributions are defined in a sufficiently specific manner by their attribution as a component of the respective newspaper of the plaintiff. There is no need for any further designation of the individual articles according to date of appearance or according to title and author. . . .

"The fact that the question of copyright protection of a copied article is shifted into the enforcement proceedings in the individual case in the case of a violation of the

cease and desist order does not oppose sufficient specificity of the legal prohibition being sought, in view of the fact that the defendant is also claiming in general to be entitled to use even copyright protected contributions without any objection."

Paragraph 29

This is a similar situation, because the difference is only that there is no dispute regarding copyright capability, but instead regarding the question of whether photographs by the photographers listed in Exhibit K 2 appear on the CDs. In the parallel lawsuit, the Federal Court of Justice also found the petition for a cease and desist order based on "parts of the printed works or individual contributions published in publications of the plaintiff's publishing group" to be sufficiently specific (GRUR [Protection of Industrial Property and Copyright Protection] 1997, 464 f. – "CB Infobank II").

Paragraph 30

The plaintiff's petition to cease and desist from distributing or causing to be distributed the photographs by the photographers listed by name in Exhibit K 2 (not including those specifically excluded) on CD-ROM (S . . . for the years 1989 through 1993) is to be interpreted as meaning that the individual photographers are to be included in the operative provisions of the ruling. In addition, the operative provisions of the ruling can be based only on photographs by these photographers that were printed in S . . . for the years 1989 through 1993 and transferred to the corresponding CD-ROMs.

Paragraph 31

2. The plaintiff is entitled according to §§ 97, paragraph 1; 17, paragraph 1; 2, paragraph 1, no. 5, 72 of the [German] Copyright Act (UrhG) to demand that the defendant cease and desist. The defendant does not have any use right, nor can the defendant enforce the objection of inadmissible exercise of rights according to § 242 of the Federal Law Gazette (BGB).

Paragraph 32

a) The plaintiff's active legitimation cannot, however, be supported by the transfer of cease and desist claims by the remaining 64 photographers. This is opposed by the fact that according to the uniform consensus, an isolated transfer of a statutory cease and desist claim is not admissible on the basis of § 399 of the Federal Law Gazette (BGB) (see Teplitzky, loc. cit., chapter 15, marginal no. 3; Roth in the Munich Commentary on the Federal Law Gazette (BGB), 3rd edition, 1994, marginal no. 20 to § 399).

Paragraph 33

b) As already explained in the oral hearing before the Senate, however, there is nothing to stand in the way of reinterpreting the transfer of those declarations which are ineffective with respect to the cease and desist claim to the extent that the plaintiff should be authorized to enforce these claims on the plaintiff's own behalf. The counsel for the plaintiff has also relied on this explicitly. In the present case, there are no legal objections to the admissibility of the capacity to sue or be sued, because the plaintiff, as an association representing the interests

of professional photographers, also has its own viable interest in pursuing these rights which are worthy of protection (cf. Schack, Urheber- und Urhebervertragsrecht [Copyright Law and Copyright Contract Law] 1997, marginal nos. 725 f.; D. Reuter, Die unfassbare "Neue Beweglichkeit" [The Inconceivable "New Mobility"] – BAG NJW 1985, 85; JuS 1986, 19, 21).

Paragraph 34

It has been shown to an adequate extent that there are publications of photographs in the journals of S . . . for the years 1989 through 1993, not only with regard to the 26 photographers listed by name by the plaintiff in Exhibit K 3 and in the publication of February 18, 1998, page 4 f., but also for the additional photographers listed by name in the briefs of September 4 and 30, 1998. With regard to the additional photographers mentioned in the operative provisions of the ruling, this had been conceded by the defendant in Exhibit B 12.

Paragraph 35

The plaintiff has been effectively authorized by the total of 64 photographers to legally enforce their cease and desist claims because of the unauthorized use by the defendant. The defendant has disputed the legitimacy of the "assignors" with a claim of ignorance and pointed out that the names of the agencies were included in Exhibit K 1 instead of the photographers in some cases, but the plaintiff has explained in detail that the association of its members into agencies does not change anything about the ownership of the rights to the photographs in question here. The fact pointed out by the defendant that some photographers have already established contact

directly with the defendant does not refute the plaintiff's claim.

Paragraph 36

c) No use rights have been transferred or conceded either explicitly or implicitly to the defendant for digitization of the photographs or their transmission and distribution on CD-ROM, nor was the defendant otherwise entitled to these use rights.

Paragraph 37

The defendant did have the right to publish the photographs in its magazine, and probably also on microfiche, although that may remain open here. However, the defendant did not have the right to transfer the photographs to CD-ROMs, even according to § 37, paragraph 2 of the [German] Copyright Act (UrhG) or § 43 of the [German] Publishing Act (VerlagsG), because for the CD-ROM version of the magazine, it would have been necessary to grant use rights for this use, which is to be evaluated as an independent type of use.

Paragraph 38

The district court was not correct in its conclusion that the question of whether this is an independent type of use can be left unanswered. Ultimately, the district court contradicted this interpretation itself later by declaring that CD-ROMs use does not constitute a new possibility for use in comparison with reprints and microfiche and therefore is subject to agreement in accordance with the will of the parties, but is not subject to the doctrine of the transfer of purpose. Therefore, the district court ultimately did not apply § 31, paragraph 5 of the [German]

Copyright Act (UrhG) because it did not consider CD-ROM use to be an independent type of use.

Paragraph 39

This interpretation did not withstand legal review. It is in contradiction with the overwhelming legal consensus that the CD-ROM is a new, independent type of use in comparison with the magazine, the annual volume and even microfiche in the sense of § 31, paragraphs 4 and 5 of the [German] Copyright Act (UrhG) (see Schack, loc. cit., marginal no. 551; Fromm, Nordemann, Hertin, Urheberrecht [Copyright Law], 9th edition 1998, §§ 31, 32, marginal no. 18, Reber, Digital techniques of utilization – new types of use, GRUR [Protection of Industrial Property and Copyright Protection] 1998, 792, 796; probably also Superior District Court Celle, ruling of May 14, 1997, K & R 1998, 79 f.; likewise for the Dutch law of the District Court of Amsterdam, MMR 1998, p. 34 f.). The primary deciding factor here is that a much more intense use is made possible (Schack, loc. cit.).

Paragraph 40

Contrary to the opinion of the defendant, this evaluation also corresponds in legal principle to the legal opinion of the Federal Court of Justice. According to this, the deciding factor is that this is an economic-technical form of utilization that can be differentiated clearly enough as such according to the accepted standard (Federal Court of Justice, ruling of December 12, 1991, GRUR [Protection of Industrial Property and Copyright Protection] 1992, 310, 311 – "Pocketbook license"; Federal Court of Justice, ruling of November 8, 1989, GRUR 1990, 669, 671 – "Bible reproduction"; Federal Court of Justice, ruling of June 5,

1985, Federal Court of Justice Gazette 95, 274, 283 – GEMA [Society for Musical Presentation and Mechanical Reproduction Rights] – Presumption I; Fromm, Nordemann, Hertin, loc. cit., §§ 31, 32, marginal no. 6). Thus, on the basis of technical innovations, legal consensus has recognized that secondary video utilization of movie films (Federal Court of Justice, ruling of October 11, 1990, GRUR 1991, 133, "Secondary video utilization I") and even the music CD in comparison with the LP or music cassette (Superior District Court of Düsseldorf, NJW-RR 1996, 420; Fromm, Nordemann, Hertin, loc. cit. §§ 31, 32, marginal no. 18; see also Schack, loc. cit. marginal no. 551, Reber, loc. cit. p. 796) is an independent type of use.

Paragraph 41

On the other hand, cable television is not an independent type of use because cable television only involves a new technical means of offering television programs, merely yielding an improvement in quality with the same reception apparatus, but not involving any different possibilities of use (Senate, ruling of May 11, 1989 – 3 U 250/88, GRUR 1989, 590 "Cable television"). Similarly, in the ruling of July 4, 1996, the Federal Court of Justice ruled that a direct satellite transmission was not a new type of use (GRUR 1997, 215, 217 "Klimbim") because "a previously existing possibility of use that was already customary is merely expanded and reinforced by the technical progress without its nature being altered significantly [. . .] from the standpoint of the final consumer, whose use of the work is ultimately covered by the system of use rights" and the "process of imparting the work [. . .] remains essentially unchanged."

Paragraph 42

However, that is not the case with the CD-ROM. CD-ROM use permits a more extensive use of a work. This is not merely a new form of communication or transmission. The perception for the end user is also different than that in the case of a print medium or microfiche. The product differs externally greatly from a magazine, its annual edition or microfiche (see Katzenberger, AfP 1997, 434, 440). In particular, however, the plaintiff has correctly pointed out that due to its search option, the CD-ROM permits faster searching, is easier to handle, takes up hardly any space in comparison with the annual volume, is hardly subject to any wear and is easy to reproduce; furthermore, digital data can be processed directly over international data networks such as the Internet. The search option in particular opens up new sales markets and thus increases the sales chances (see Katzenberger, AfP 1997, 434, 440). In addition, the economic interests of the author/photographer are especially endangered in the case of transmission of his photographs on CD-ROM, because once an image has been digitized, it can be processed without any loss of quality, even worldwide over data networks. Parallel use on multiple computers is even possible in server operation, unlike the annual volume of a magazine or microfiche.

Paragraph 43

No doubt is cast on this evaluation by the fact that the five CD-ROM editions in question were not yet technically at the current status, and in particular the reproduction of the photographs had not yet achieved the quality of the photographs printed in the magazines. With

respect to the question of whether transmission on CD-ROM should be regarded as a new type of use, the foreseeable development possibilities should also be taken into account, regardless of the specific quality of the first copies.

Paragraph 44

Furthermore, the ruling by the Anti-trust Senate of the Federal Court of Justice of March 11, 1997 (NJW 1997, 1911 – "NJW on CD-ROM") regarding § 16 of the Law Against Restraints on Competition (GWB) is not in conflict with classification of this medium as an independent type of use, as maintained by the defendant. In this ruling, the Federal Court of Justice has found that the CD-ROM may be a substitution product for the print medium. For the question of the price fixing permission from the standpoint of anti-trust law, the Federal Court of Justice must only determine whether there was a publication product and, in this context, whether the products were comparable in their cultural significance. To this extent, the Federal Court of Justice (NJW 1997, 1911, 1913) has correctly found with regard to comparability with respect to price fixing that both media serve the purpose of communication of information through reading stored information, and therefore that the CD-ROM is a publication product, despite the need for technical reading devices such as microfilm or microfiche. However, these aspects as well as those discussed below concern the question of whether this is a publication product. In the present case, the question is not whether it is a cultural substitute but instead whether it is an economic substitute. As explained above, this is not the case. Moreover, the Federal Court of Justice (NJW 1997, 1911, 1914)

has acknowledged that there is a clear technical difference in the search options and that the CD-ROM version is characterized "by a search option that is superior to that of traditional newspaper registers."

Paragraph 45

In addition, the ruling of the Federal Court of Justice of November 21, 1958 regarding book clubs (Federal Court of Justice, GRUR [Protection of Industrial Property and Copyright Protection] 1959, 200, 202 f. "Courtyard of saints") has shown that the question of similarity in price fixing involves different aspects from the same question in the context of evaluating the type of use. Of course § 16 of the Law Against Restraints on Competition (GWB) is applicable to a normal book store as well as to book clubs, because both distribute publication products (culturally comparable). The same is derived from the ruling by the Federal Court of Justice of December 12, 1991 (GRUR 1992, 310, 311 "Pocketbook license").

Paragraph 46

d) No corresponding use right has been granted to the defendant. Granting this right fails due to the interpretation of the agreement according to § 31, paragraph 5 of the [German] Copyright Act (UrhG) according to the so-called doctrine of transfer of purpose. The district court did not adequately take into account the relevance of § 31, paragraph 5 of the [German] Copyright Act (UrhG).

Paragraph 47

No explicit agreements have been made between the defendant and the photographers regarding the CD-ROM

as an independent type of use. Moreover, the agreements that were made were only verbal, namely by telephone.

Paragraph 48

Contrary to the opinion of the defendant, there was no implicit or implied transfer of CD-ROM use rights. At least the defendant has not demonstrated this, let alone proven it (with regard to the burden of proof pursuant to § 31, paragraph 5 of the [German] Copyright Act (UrhG), see the ruling of the Senate of March 1, 1990 – 3 U 210/89, GRUR 1991, 599, 600 "Radio advertising"; Schack, loc. cit., marginal no. 548).

Paragraph 49

As observed correctly by Katzenberger, AfP 1997, 434, 439, there is a definite result with regard to granting rights to electronic use only when these have been "referred to individually" as such or listed by name. Otherwise, however, the doctrine of the transfer of purpose (§ 31, paragraph 5 of the [German] Copyright Act (UrhG)) is applicable. According to this doctrine, it can be assumed only in the case of recent contracts that the right to CD-ROM use has also been granted implicitly (Katzenberger, loc. cit.), in which case it can definitely be assumed that this was a known type of use in the sense of § 31, paragraph 4 of the [German] Copyright Act (UrhG), because the deciding factor in what can be considered as conceded according to § 31, paragraph 5 of the [German] Copyright Act (UrhG) is what was necessary for the purpose of the agreement. According to § 133, § 157 of the [German] Civil Code, a determination of the purpose of a contract depends on what is or has been conventionally the purpose of a contract in good faith and in

accordance with commercial ethics, i.e., what has been customary in that branch of the industry (Federal Court of Justice, ruling of March 20, 1986; GRUR, 1986, 885, 886 – "METAXA"; Federal Court of Justice, ruling of April 26, 1974; GRUR 1974, 786, 787 – "Cassette film"; Schricker, Schricker, Copyright Law, 1987, § 31, § 32, marginal no. 40; Maassen, ZUM 1992, 338, 349). However, it is not sufficient that the possibility of use was already known at the time the agreement was concluded (Federal Court of Justice, GRUR 1974, 786, 787 – "Cassette film").

Even according to statements by the defendant, weekly magazines and daily newspapers appeared on CD-ROM for the first time in 1993 (see Katzenberger, AfP 1997, 434). This is not altered by the fact that professional journals such as "NJW" have been appearing as a CD-ROM version since 1988 (see Katzenberger, loc. cit.), because these CD-ROM versions are full text versions without digitized images, as the Senate is already aware. According to Maassen, digitization of images was not a general phenomenon at the beginning of 1992 because of the expensive technology required to accomplish it (Maassen ZUM 1992, 338, 349). For CD-ROM versions of magazines such as "S . . . " which contain many photographs, however, this was essential. For example, Schulze found in 1996 that the CD-ROM does "not yet conform to current standards" for magazines (G. Schulze, FS Beier, p. 404 f.).

Paragraph 50

The specific interpretation rules of § 38, paragraph 1, § 34, paragraph 2 and § 9 of the [German] Copyright Act

(UrhG) also do not conflict with this conclusion (see in this regard G. Schulze, FS Beier, p. 406 ff.).

Paragraph 51

e) Thus, it may remain moot whether granting rights for the (first) of the "S . . . " annual volumes 1989 through 1993 must fail due to § 31, paragraph 4 of the [German] Copyright Act (UrhG). According to this, the CD-ROM use would have been unknown and therefore could not have been transferred to protect the author/photographer, although its technical significance and usability but not its economic significance and usability were not known at the time the respective agreements were concluded (Federal Court of Justice, ruling of October 11, 1990; GRUR 1991, 133, 135 "Secondary video utilization I"; Federal Court of Justice, ruling of June 5, 1985, Federal Court of Justice Gazette 95, 274, 284 – "GEMA [Society for Musical Presentation and Mechanical Reproduction Rights] Presumption I"; Federal Court of Justice, ruling of October 15, 1987, GRUR 1988, 296, 298 – "GEMA Presumption IV"; Federal Court of Justice, ruling of January 26, 1995, Federal Court of Justice Gazette 128, 336, 341 – "Secondary video utilization III"). Opinions in the literature are not uniform regarding this question of when the CD-ROM type of use became a known type of use. Some have assumed that this use has been known since 1988 (Maassen ZUM 1992, 338, 349; Katzenberger, AfP 1997, 434, 441; questioning this position, however: Fromm, Nordemann, Hertin, loc. cit. § 31, § 32, marginal no. 18). Dreier (in: Lehmann, Internet- und Multimediarecht (Cyberlaw) [Internet and Multimedia Law (Cyber Law)], 1997, p. 134) believes that approximately the beginning of the '90s should be assumed as the relevant point in time.

In 1996, Schulze, however, assumed that this use had "only recently" become known (G. Schulze, FS Beier, p. 405; likewise, Nordemann, AfP 1993, 365, 367).

Paragraph 52

From the standpoint of the Senate, however, it necessarily follows from the preceding that for the purpose pursued by the granting of rights in the respective oral agreements, it would have been necessary to already provide at that time the use right for the CD-ROM edition as a new type of use that was not yet conventional. An implied transfer of this use right cannot be assumed.

Paragraph 53

f) § 101 of the [German] Copyright Act (UrhG) does not intervene in this matter. The defendant has at least been negligent. In view of the scope of its business activities as a publishing company, the defendant should have known that it was acting in violation of the law. To this extent, the defendant is subject to strict diligence requirements (see Federal Court of Justice, ruling of July 3, 1981, GRUR 1982, 102, 104 "Master tapes"; Federal Court of Justice, ruling of October 10, 1991, GRUR 1993, 34, 36 "Operating instructions").

g) Despite a fundamental obligation on the part of the photographers to grant the use rights, the plaintiff can invoke the cease and desist claims, because contrary to the opinion of the defendant, these claims are not prevented by the objection of inadmissible exercise of rights.

Paragraph 55

Although it is stated with good grounds that the photographers have an obligation to consent to the CD-ROM use

of their photographs and to grant the defendant the corresponding use rights (e.g., for text contributions, see also Katzenberger, AfP 1997, 434, 441; see also G. Schulze, FS Beier, p. 410 f., who believes that to prevent countless additional agreements, a solution to the problem must be achieved with the help of the performing rights companies *de lege ferenda*).

Paragraph 56

However, an objection according to § 242 of the [German] Civil Code would not usually arise from this, because otherwise the monistic nature of German copyright law would not be taken into account, at least for copyrighted works, and the author/photographer would be excessively weakened in his negotiation position. Therefore, it would not be justified in the case of individual works to invoke the objection from § 242 of the [German] Civil Code (see Superior District Court of Düsseldorf, NJW-RR 1996, 420). And in the case of collective works which are to be sent for a new use subsequently, it is possible to deviate from this principle only in a few exceptional cases. This may be the case, for example, if it were impossible for the publisher to locate the individual authors/photographers. In no case, however, can the defendant invoke this objection overall.

Paragraph 57

On the other hand, to the benefit of the defendant, one cannot object that locating the numerous holders of the rights is associated with excessive effort. There are also similar problems for the individual photographer if he must subsequently contact the numerous parties using his rights. Moreover, in the present case, the plaintiff has

correctly objected that the defendant itself acted in violation of good faith when it failed to notify the photographers of the planned use of their photographs in the CD-ROMs even at the time when the CD-ROMs were being planned. This is true at least for the year 1993, when the defendant has itself stated that the CD-ROM was already being planned. At least at this time, the defendant also had a reason to take note of the names and addresses of the photographers.

Paragraph 58

The only remaining problem is that individual holders of the rights do not concur with the majority and might refuse to grant the required rights, so that a "pressure means for inappropriate compensation claims" would fall to them (see Federal Court of Justice, ruling of May 31, 1960, GRUR 1960, 614, 617 "The Wedding of Figaro"). Only in this case would it be justified to deny the individual the cease and desist claim (see Federal Court of Justice, loc. cit., 617 f. and § 80 of the [German] Copyright Act (UrhG); § 9 of the Copyright Act could also help to achieve a solution, although its applicability to collective works has been disputed.)

Paragraph 59

In case of doubt, copyright law will protect the author/photographer. However, the provision of § 31, paragraph 5 of the [German] Copyright Act (UrhG) must not be overridden by § 242 of the [German] Civil Code. The purpose of § 31, paragraph 5 of the [German] Copyright Act (UrhG) is to ensure appropriate compensation. To ensure this, the author/photographer must be equipped with the required negotiating power with respect to the

publisher. In general, the author/photographer is the weaker party in the agreement in comparison with the party making use of his rights. Moreover, it should be recalled that there is a special threat to the works of photographers once they have been digitized and thus can be duplicated easily and sent over data networks.

Paragraph 60

It has also been pointed out correctly in the literature that the publishers might otherwise be able to speculate on the possibility "that no author/photographer would announce himself and then one need not pay out the amounts set in reserve" (G. Schulze, FS Beier, p. 410).

Paragraph 61

h) The barrier of § 53, paragraph 2, no. 2 of the [German] Copyright Act (UrhG) does not come into play. This situations lacks the factor of production or having something produced for one's own use. The defendant has produced the CD-ROMs for sale to a third party.

Paragraph 62

i) The claim also has not expired. According to § 102 of the [German] Copyright Act (UrhG), the deciding factor in expiration of a claim is the last infringement (Fromm, Nordemann, loc. cit., § 102, marginal no. 1). With the cease and desist claim, the plaintiff has also enforced the rights of the "assignors" from § 97, § 17 of the [German] Copyright Act (UrhG) in the plaintiff's own name. These already exist if the work is offered to the public. S . . . on CD-ROM still has not been offered to the public.

Paragraph 63

III. The petition for payment is admissible and is also fundamentally justified. The plaintiff has a damage compensation claim pursuant to § 97, paragraph 1, § 17, paragraph 1, § 2, paragraph 1, no. 5, § 72 of the [German] Copyright Act (UrhG). No ruling can yet be issued with regard to the amount of damages. This will require evidence of the amount of the usual compensation, optionally by expert opinions.

Paragraph 64

1.) In at least 707 cases, the defendant has violated the copyrights and ancillary copyrights due to the assignors. The resulting damage compensation claims have been effectively transferred to the plaintiff.

Paragraph 65

2.) The defendant has at least acted negligently. As a publisher, the defendant must have been aware that the rights would have to be granted for this independent type of use. In this regard, the statements made regarding § 101 of the [German] Copyright Act (UrhG) are also applicable here.

Paragraph 66

3.) Contrary to the opinion of the defendant, the damage compensation claim is not precluded by the cease and desist claim. Although the former concerns the past, the latter is also effective into the future and should fundamentally prevent other damages than those covered by the damage compensation claim. However, if it could be assumed that with payment of the damage compensation

by the defendant, the defendant was granted an imaginary license, then the cease and desist claim would not be further applicable. Since the plaintiff has selected the license analogy as a form of damage compensation, the defendant would in fact be regarded as entitled to use the copyrighted items after payment of the license fee. However, no consequences can be drawn from this at present because this payment has been refused. The defendant would then have to oppose subsequent enforcement of the cease and desist claim with an action raising an objection to the judgment claim.

Paragraph 67

4.) With regard to the damage compensation claim, the defendant cannot invoke the objection of inadmissible exercise of rights according to § 242 of the [German] Civil Code.

Paragraph 68

The damage compensation claim is not counteracted by the obligation of the photographer to contractually grant use rights. Even if these use rights have been pledged, it need not necessarily result in an agreement being concluded. If no agreement is reached because the publisher does not offer adequate compensation or is not willing to conclude an agreement, the authors/photographers would lose despite the infringement of their rights. However, the damage compensation liability can also be taken into account in contractual negotiations.

Paragraph 69

5.) The claim has not expired either. The defendant has not substantiated its allegation that some photographers

had already gained knowledge of the infringement of rights prior to the time of November 29, 1993, which is the crucial time according to § 102 of the [German] Copyright Act (UrhG), § 209 of the [German] Civil Code, on the basis of the notice in issue no. 17/93 of S . . . or in some other manner, and if so, which photographers did so.

Paragraph 70

6.) The decision regarding the amount of damages and thus regarding the question of an infringing party's surcharge shall remain reserved for the final ruling.

JurPC Web-doc. 193/1998, Paragraph 71

The secondary rulings follow from § 708, no. 10, § 711, and § 546, paragraph 2 of the Code of Civil Procedure (ZPO). The lower claim is based on the fact that cease and desist claims of only 64 photojournalists are now in dispute in comparison with the original 70.

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Proposed citations: court, date, file, JurPC Web-doc., paragraph